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CITY OF HAYWARD
HEART OF THE BAY

CITY COUNCIL MEETING FOR TUESDAY, DECEMBER 14, 2010

CLOSED SESSION
Closed Session Room 2B – 5:00 PM

1. **PUBLIC COMMENTS** (*Limited to items agendized for Closed Session)*

2. Conference with Labor Negotiators
   Pursuant to Government Code 54957.6
   - Lead Negotiators: Fran David, City Manager; Michael Lawson, City Attorney; Kelly Morariu, Assistant City Manager; and Fran Robustelli, Human Resources Director
     Under Negotiation: Hayward Police Officers' Association Bargaining Unit (HPOA)

3. Conference with Real Property Negotiators
   Pursuant to Government Code 54956.8
   - Lead Negotiators: Fran David, City Manager; Michael Lawson, City Attorney; Kelly Morariu, Assistant City Manager; and John DeClerq, Project Manager
     Under Negotiation: South Hayward BART Transit Oriented Development Project
     APN 078C-0441-001-29 and 078C-0441-001-28
     APN 078C-0441-001-16 and 078C-0441-001-17
     APN 078C-0441-001-23

4. Adjournment to Special Meeting

SPECIAL JOINT CITY COUNCIL/REDEVELOPMENT AGENCY MEETING
Council Chambers - 7:00 PM

CALL TO ORDER **Pledge of Allegiance** Council Member Peixoto

ROLL CALL

CLOSED SESSION ANNOUNCEMENT

PRESENTATION Key to the City Presented to Jon Miller

PUBLIC COMMENTS: *(The Public Comment section provides an opportunity to address the City Council on items not listed on the agenda or Work Session, or Informational Staff Presentation items. The Council welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Council is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.)*

NON-ACTION ITEMS: *(Work Session and Informational Staff Presentation items are non-action items. Although the Council may discuss or direct staff to follow up on these items, no formal action will be taken. Any formal action will be placed on the agenda at a subsequent meeting in the action sections of the agenda.)*

WORK SESSION (60-Minute Limit)

1. Redevelopment Agency Board / HRAC Joint Work Session: State of the Redevelopment Project Area
   Staff Report

2. Summary of Proposed Expansion of BART Hayward Maintenance Complex
   Staff Report
   Attachment I - Vicinity Map
   Attachment II - Site Location Map
   Attachment III - Viewpoint 1 Simulation
   Attachment IV - Viewpoint 2 Simulation
   Attachment V - Viewpoint 3 Simulation
   Attachment VI - Announcement of MND/IS

ACTION ITEMS: (*The Council will permit comment as each item is called for the Consent Calendar, Public Hearings, and Legislative Business. In the case of the Consent Calendar, a specific item will need to be pulled by a Council member in order for the Council to discuss the item or to permit public comment on the item. Please notify the City Clerk anytime before the Consent Calendar is voted on by Council if you wish to speak on a Consent Item.)*

CONSENT

3. Approval of Minutes of the Special City Council Meeting on November 30, 2010
   Draft Minutes

4. Approval of Minutes of the City Council Meeting on December 7, 2010
   Draft Minutes

5. Transmittal of the Comprehensive Annual Financial Report for the Year Ended June 30, 2010; and of the "Communication of Internal Control Related Matters" and "Communication with Those Charged with Governance" Letters
   Staff Report
   Attachment I
   Attachment II
   Attachment III
   Attachment IV

6. Adoption of the Annual Report of Redevelopment Agency Activities For FY 2010
   Staff Report
   Attachment I Agency Resolution Adopting FY 2010 Annual Report
   Attachment II Council Resolution FY 2010 Agency Annual Report
   Attachment III Agency Annual Report for FY 2010

7. Install Water Line at Golf Course Access Road Project: Award of Contract
   Staff Report
   Attachment I - Resolution
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   Attachment III - Bid Summary

8. Summary Vacation of a Portion of Whitman Street
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9. Utility Service Agreement (USA 10-02) - Joginder Nagra (Owner/Applicant) - Authorize the City Manager to File an Application with the Alameda County Local Agency Formation Commission (LAFCo) for Approval of an Out-of-Service Area Agreement and to Negotiate and Execute a Utility Service Agreement and a Public Street Improvement Agreement Related to a Request for Sewer Service at 187 Laurel Avenue in the Cherryland Area of Unincorporated Alameda County
   Staff Report
   Attachment I - Draft Resolution
   Attachment II - Project Location Map

10. Adoption of Positions and Salaries Schedule for Fiscal Year 2010-2011 and Amendment of the Fiscal Year 2010-2011 Allocated Positions
    Staff Report
    Attachment I Positions Salaries Schedule
    Attachment II Resolution

11. Authorization for the City Manager to Negotiate and Execute an Agreement with the Alameda County Public Works Agency for the Relocation of the City's Pedestrian Bridge as Part of the County's Floodwall Improvement Project between Industrial Parkway SW and Huntwood Avenue
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    Attachment III - Areas Removed from Flood Plain
    Attachment IV - Coop Agreement
    Attachment IVa - Exhibit A - Scope of Project

12. Revisions to the Council Member Handbook
    Staff Report
    Attachment I - Decorum Council

Attachment II - Decorum Public
Attachment III - Resolution

13. Adoption of Ordinance Amending Chapter 11, Article 4 of the Hayward Municipal Code by Adding Section 11-4.29 Thereto Relating to Underground District No. 29
    Staff Report
    Attachment I

14. Adoption of Ordinance Amending Chapter 11, Article 4 of the Hayward Municipal Code by Adding Section 11-4.30 Thereto Relating to Underground District No. 30
    Staff Report
    Attachment I

The following order of business applies to items considered as part of Public Hearings and Legislative Business:

- *Disclosures*
- *Staff Presentation*
- *City Council Questions*
- *Public Input*
- *Council Discussion and Action*

LEGISLATIVE BUSINESS

15. Approval of Drought Implementation Plan
    Staff Report
    Attachment I - Resolution
    Attachment I-a - 2 Tier Drought Implementation Plan

16. Inclusionary Housing Interim Relief Ordinance
    Staff Report
    Attachment I Ordinance
    Attachment II CC Resolution IHO Ordinance

17. Support for the Development, Relief, and Education for Alien Minors (DREAM) Act
    Staff Report
    Attachment I

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Oral reports from Council Members on their activities, referrals to staff, and suggestions for future agenda items

ADJOURNMENT

PUBLIC COMMENT RULES: The Mayor may, at the beginning of the hearing, limit testimony to three (3) minutes per individual and five (5) minutes per an individual representing a group of citizens or organization. Speakers will be asked for their name and their address before speaking and are expected to honor the allotted time. A Speaker's Card must be completed by each speaker and is available from the City Clerk at the meeting.

PLEASE TAKE NOTICE that if you file a lawsuit challenging any final decision on any public hearing or legislative business item listed in this agenda, the issues in the lawsuit may be limited to the issues that were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing. PLEASE TAKE FURTHER NOTICE that the City Council has adopted Resolution No. 87-181 C.S., which imposes the 90 day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.

****Materials related to an item on the agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website. All Council Meetings are broadcast simultaneously on the website and on Cable Channel 15, KHRT. ****

TUESDAY, DECEMBER 21, 2010 – CLOSED SESSION MEETING

MEETINGS CANCELED DUE TO FURLOUGH AND HOLIDAYS
DECEMBER 28, 2010 AND JANUARY 4, 2011

NEXT REGULAR MEETING – 7:00 PM, TUESDAY, JANUARY 18, 2011

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or TDD (510) 247-3340.

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Redevelopment Agency Board Members
Hayward Redevelopment Advisory Committee

FROM: Redevelopment Director

SUBJECT: Redevelopment Agency Board / HRAC Joint Work Session: State of the Redevelopment Project Area

RECOMMENDATION

That the Agency Board and the Hayward Redevelopment Advisory Committee (HRAC) review and comment on this report.

SUMMARY

This joint work session is an opportunity for the Agency Board/City Council and the HRAC to discuss the immediate and future priorities of the Hayward Redevelopment Agency, given the goals, opportunities, and constraints of the Agency and the City as a whole. As indicated in the FY 2010 Redevelopment Agency Annual Report, the Agency's current fiscal condition constrains its ability to pursue all identified goals. In addition, private sector economic and real estate market conditions have resulted in severe constraints for financing development. As a result, it is helpful to review the Agency's Five-Year Implementation Plan, and to consider which of the project priorities are most important for the Agency to pursue in the immediate future, and which others should be pursued in future years, or as contingent priorities. This review can assist the Agency Board as it considers the upcoming FY 2010 Mid-Year Budget Review and FY 2011 Budget. This review is limited to non-affordable housing expenditures. Staff will be scheduling a City Council work session early in 2011 to consider the City's housing policies and programs, including affordable housing.

BACKGROUND

This work session grew out of the process that was undertaken earlier this year to consider consolidating several City advisory boards and committees that have overlapping interests. While the HRAC did not wish to merge with these committees, some HRAC members expressed a desire for more direct communication with the Agency Board, and assurance that their recommendations were being heard. The City Council/Agency Board approved continuing the HRAC as a separate committee, and also expressed the desire to resolve any communication concerns. Agency Board member Halliday attended a subsequent HRAC meeting in October and suggested that a joint

meeting between the HRAC and the Agency Board be held in order to have a direct discussion regarding Agency priorities. She has also volunteered to serve as the Agency Board liaison to the HRAC Committee.

DISCUSSION

Agency Fiscal Constraints and Opportunities: As indicated in the FY 2010 Redevelopment Agency Annual Report, the past fiscal year was seriously detrimental to the Agency. In FY 2010, the Agency's tax increment fell by approximately 20%, to a total of $10.2 million. In addition, the Agency had an extraordinary expense of $4.4 million, which it paid to the State SERAF fund. While most of that payment amount ($3.4 million) was borrowed from the Agency's Low & Moderate Income Housing (Low/Mod) Fund, it will have to be paid back within five years. As of the end of FY 2010, the fund balance in the Capital Projects/Administrative Fund had been cut in half to approximately $5.8 million. Of this amount, $3.7 million is actually the value of Agency land held for resale, resulting in an undesignated Capital Projects Fund (cash) balance of approximately $2.1 million at the end of FY 2010.

The effects of the recession will continue to be felt in FY 2011, though to a lesser extent. The current budget projects that tax increment will fall by an additional 4%, or to approximately $10 million, although this estimate will be refined by the Mid-Year budget review. The FY 2011 SERAF payment will be approximately $900,000, and there are no further plans for State takes. The current FY 2011 budget projects a year-end undesignated fund balance of approximately $500,000, which staff believes is the lowest safe fund balance level advisable, given the Agency's current bonded indebtedness and pass through payment obligations.

The Agency's revenues are projected to start a slow recovery by FY 2012, and are conservatively expected to reach pre-recessionary levels by FY 2019 or 2020. If the Agency sells the Residual Burbank School site, this will temporarily boost the "bottom line" fund balance for the Capital Projects Fund; however, most, if not all, of those funds will be needed to repay the Low/Mod Fund for the SERAF payments, barring relief from the State on this matter. If revenues increase at the projected slow growth rate approaching 3% per year by 2015, and unless cuts are made elsewhere in the administrative and overhead side of the budget, the Agency's available annual non-housing "projects" budget is currently projected to be $200,000 to $300,000 per year for the next six years. By FY 2018, the annual amount available to fund projects will increase to approximately $500,000 to $750,000 per year.

The scenario outlined above does not include real property tax growth due to development at Cannery Place, the Burbank Residual Site, development at South Hayward BART, or other growth throughout the Project Area. If all of the projected development at the Cannery were to materialize, the Agency's available Capital Improvements fund revenue could increase by roughly $1 million per year at build out – say within four to five years. If all of the proposed South Hayward BART development were to take place, this could add up to another $1 million of net available capital project revenue at build out. This assumes, of course, that the project financing needs, including the Prop. 1-C funding and amounts previously requested of the Agency can be met. Based on previous bonding capacity estimates, $2 to $2.5 million in extra annual revenue by FY 2017 could potentially support roughly $20 to $25 million in additional bond proceeds.

Agency Project and Funding Priorities: The following list of non-affordable housing project priorities is taken from the Agency's FY 2010-2014 Implementation Plan, which the Board adopted in April 2010. The Implementation Plan largely calls for a continuation of activities that have already been started - the most significant of these being the South Hayward BART Transit-oriented Development. Costs for these projects are considered to be preliminary estimates, subject to change.

Downtown & 87Annex

Funded:

- Downtown Clean & Safe activities: complete electrical upgrade for commercial buildings: $400,000 (funded in FY 2009)
- Downtown Gateways: Maple Court and DeAnza Park at Foothill: $200,000 (funded in FY 2009 and prior years)
- Continued implementation of Downtown Retail Attract Program: $2,500,000 (funded in FY 2010 and 2011**)**
- Relocation of Hayward Area Historical Society: privately funded

Unfunded:

- Complete environmental remediation of Cinema Place: **$250,000**
- Re-evaluate the Downtown Plan: **$500,000**
- Redevelopment of City Center Campus: **$4,500,000**
- Redevelopment/Re-use of Mervyns Headquarters Site: privately funded

Burbank- Cannery

Unfunded:

- Redevelopment of Residual Burbank School Site - environmental: **$250,000**
- Construction of Cannery Area/Railroad Pedestrian Bridge: seek grant funding
- Landscaping and sidewalk improvements along C Street: seek grant funding
- Continued redevelopment of Cannery properties south of Burbank School: privately funded
- Promote redevelopment of former Owens-Brockway glass manufacturing facility: privately funded, possible traffic upgrades needed

Mission-Foothill

Funded:

- South Hayward BART/Mission Blvd Form-Based Code: $250,000 (funded in FY 2011)
- Minor Home Repair: Webster/Calhoun Neighborhood: $250,000 (funded FY 2010)
- Mission Boulevard Specific Plan - Harder Road to Grove: $600,000 (funded FY 2010-11)

Unfunded:

- South Hayward BART Transit-Oriented Development Public Improvements: **$12,700,000**
- Assemblage of Mission Boulevard properties - Sycamore to Pinedale Court: **$5,500,000**
- Development of Parks in South Hayward BART/Mission Corridor: seek grant funding
- Promote redevelopment of former Holiday Bowl site: privately funded

HRAC Priorities and Other Concerns: Prior to the submittal of the Implementation Plan to the Agency Board, the HRAC met twice to review the draft Plan and discuss upcoming priorities. The Committee adopted the following motions with respect to Implementation Plan priorities:

> **Motion No. 1:** The top priority activity for Redevelopment Agency funding in the Downtown sub-area should be to re-evaluate the Downtown Plan in light of the economic impacts of the Route 238 "Downtown Mini-Loop."
> **Motion No. 2:** The Hayward Redevelopment Advisory Committee also strongly encourages the development of a specific plan for the Mission Boulevard Corridor from Harder Road north to Jackson Boulevard, as a priority expenditure item.
> **Motion No. 3:** A second priority for the expenditure of funds should be to plan for the Mission Boulevard Corridor from A Street to Grove Way.

As noted above, the Mission Boulevard Specific Plan, encompassing the areas identified in HRAC motions two and three, has been funded and is now underway. A new, consolidated Downtown Plan, with an estimated cost of $500,000 could be considered for partial funding in the FY 2012 budget year. Given the current severe funding constraints, funding this project will direct funds away from the South Hayward BART TOD, and from other unfunded projects. In particular, up to $500,000 may be needed for remaining environmental remediation at the Cinema Place Garage and the Residual Burbank Site. Staff will prepare a power point presentation in order to highlight some elements that the Agency may wish to consider for inclusion in a new Downtown Plan.

At its October 13th meeting, HRAC members noted the following additional items that they may wish to discuss with the Agency Board: 1) Route 238 Improvements, schedule and impacts on downtown businesses; 2) status of the Green Shutter Hotel and its impact on downtown; and 3) status of downtown retail in general and management of the downtown theater. The following is a brief update regarding these items:

1. **Route 238 Improvement Project:** Staff updated the HRAC regarding the schedule for this project in May, 2010, and prior to that, Public Works staff presented the Route 238 Alternative Project in July 2008. The City Council awarded the construction contract in July, and the City held a groundbreaking event in September. Updates and a summary of the improvements may be found on the City's web-site, and the schedule of construction is generally as follows:

- Phase One, Carlos Bee to Harder – Start: Summer 2010, Complete: Fall 2011
- Phase Two, Harder to Industrial – Start: Summer 2010, Complete: Fall 2011
- Phase Three, Foothill/A to Apple – Start: December 2010, Complete: Year end 2011
- Phase Four, Downtown/Mini-Loop – Start: Summer 2011, Complete: Year end 2012

2. **Green Shutter Hotel:** The owner of the Green Shutter Hotel filed Chapter 11 Bankruptcy in July 2010. The City has since filed a creditor's claim on the property in the amount of $289,000 for business taxes and an outstanding $250,000 façade loan. The façade loan was provided with Agency Low/Mod funds in 2001. The owner has previously requested that that the Agency subordinate its loan to other mortgage debt on

the property. The Agency denied the loan subordination request due to concerns regarding the owner's management of the second floor residential hotel. It should be noted that because the loan was made with affordable housing funds, the 60-unit residential hotel is legally considered to be affordable housing until 2016; however, if the property is foreclosed on, the affordable housing requirements will no longer be in effect. In the event that the owner's financial reorganization is unsuccessful, the property may ultimately be sold in a trustee sale, or may be foreclosed on by the primary lender. Staff will continue to monitor the situation and advise the Agency Board on developments regarding this property.

3. **Downtown Retail/Cinema Place Theater Management:** Staff has previously updated HRAC members regarding downtown Retail Attraction efforts in May 2010, particularly with respect to the Foothill Boulevard Façade Initiative. Staff provided similar updates to the Economic Development Committee and the Council Downtown Committee in May and June 2010. The project architect has developed preliminary plans and a budget for the façade improvements on Block One (west side of Foothill between Maple Court and A Street) and Block Two (east side of Foothill Boulevard between A and B Streets). Staff and the architect have met with the property owners, and staff has developed façade loan terms and documents. Property owners remain enthusiastic regarding this program, and improvements are expected to get underway in 2011. In other downtown retail events, the new Sushi Buffet at Cinema Place has opened, and the Hayward Arts Council has signed an agreement to open a gallery at Cinema Place. Staff will continue to work with the brokers for this center to fill the ground floor retail space in an effort to enliven the center and draw more patrons. Staff has not had recent discussions with Cinemark regarding management of the theater; however, seasonal attendance is reported to be up.

ECONOMIC IMPACT

The Redevelopment Agency is an important economic development tool for the City of Hayward, and use of its funds should be carefully considered. Investment in commercial development, where viable, has the potential to result in addition of permanent jobs and additional revenue to the City; however, investment in residential development can also result in construction jobs, additional property tax increment, and consumer demand for local goods and services.

FISCAL IMPACT

There is no direct fiscal impact resulting from this work session discussion; however, discussions regarding Agency project priorities are intended to affect the Agency Board's decisions regarding the FY 2011 Agency budget.

PUBLIC CONTACT

The HRAC considered the FY 2010-2014 Implementation Plan in January and February 2010, and the Agency Board adopted the Plan in April 2010. The HRAC reviewed the FY 2011 budget in May 2010, and the Agency Board adopted the budget in June 2010.

SCHEDULE (or NEXT STEPS)

The Agency Board may wish to consider any recommendations made tonight during the upcoming mid-year budget review, or prior to adopting the FY 2012 budget. Staff will also seek to schedule a joint meeting between the HRAC and the CEDC in early 2011.

Prepared by: Maret Bartlett, Redevelopment Director

Recommended by: Kelly Morariu, Assistant City Manager

Approved by:

Fran David, City Manager

CITY OF HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT: Summary of Proposed Expansion of BART Hayward Maintenance Complex

RECOMMENDATION

That Council reviews this report and associated presentation by BART staff, and provides feedback to BART staff on the proposed expansion project.

SUMMARY

Generally speaking, the Bay Area Rapid Transit District (BART), as an entity of the State, is not subject to local building and zoning regulations. However, City staff has requested that BART staff prepare a brief presentation for the City Council to summarize the District's plans for expansion at its Hayward maintenance facility in south Hayward. The BART Hayward Maintenance Complex is located generally along the BART tracks between Industrial Boulevard in Hayward and South of Whipple Road into Union City (see Attachment I). The BART Board has directed BART staff to initiate the environmental, design, and outreach work on this project, and the Board anticipates reviewing the project for advancement in approximately April 2011.

BACKGROUND

BART operates and maintains 104 miles of track in revenue service and 43 stations, serving an average of 360,000 passenger trips every weekday in the counties of San Francisco, Alameda, Contra Costa, and San Mateo. The Hayward Yard is one of four BART maintenance facilities serving the BART system (Hayward, Concord, Richmond, and Daly City), and the only facility that contains a parts warehouse that can accommodate accident and component repair. BART is currently in the process of replacing and expanding its existing fleet. Over the next 30 years, BART will require additional vehicles to meet future demand associated with regional population growth, system expansions for the Warm Springs and Silicon Valley/San Jose Extension projects, and additional riders from the Oakland Airport Connector, eBART, and Livermore projects. Accordingly, BART requires expanded maintenance and storage facilities to serve the expanded fleet. Benefits of the project include greater vehicle reliability and passenger satisfaction with service, more service with longer/more frequent trains, improved rider amenities, and better on-time service.

BART staff met with City staff on two occasions this year to provide a general overview of the project, the last meeting occurring in October. During the October meeting, BART staff described the outreach planned and sought input on how to reach out to the Hayward community, and inquired about possible concerns with the planned project. City staff provided information regarding outreach, and encouraged BART to minimize visual impacts associated with the portion of the maintenance tracks that would cross over the main tracks in the southern portion of the site (flyover tracks), mitigate noise impacts, and address any visual impacts related to expansion of the maintenance yard in the southern portion of the site on the west side of the tracks adjacent to and north of Whipple Road.

DISCUSSION

Project Description - The proposed Hayward Maintenance Complex project would consist primarily of acquisition and improvements to three industrial buildings and construction of a fourth building to accommodate a new overhaul shop on the west side of the existing Hayward Yard, and the construction of a maximum 250-vehicle storage area on undeveloped BART property on the east side of the Hayward Yard (see Attachment II). The project site is in the Industrial (I) Zoning District and the proposed activities would be consistent with this zoning designation.

BART's current fleet of 669 revenue vehicles can all be stored within the four existing maintenance facilities in the BART system. As the fleet expands to meet future needs, additional maintenance and storage will be necessary, both to accommodate the expected number of cars and to minimize non-revenue train movements (such as initiating and ending daily service). Undeveloped land at BART's existing Hayward Maintenance Yard provides an economical means to expand vehicle storage on a suitable piece of vacant land, which BART already owns on the east side of the Hayward Yard.

BART will also need to expand maintenance to ensure future reliability and performance. BART has instituted a Strategic Maintenance Program (SMP) that will provide scheduled maintenance and overhauls for the vehicle fleet. Acquisition of three properties (with four warehouses) adjacent to and west of the Hayward Yard would create an efficient complex that could provide the necessary maintenance and also allow a consolidation of existing BART services (see Attachment II).

Project Phasing –

Phase I: If the project moves forward as currently planned, BART would acquire three properties totaling approximately 28 acres and containing four warehouses adjacent to the west side of the existing Hayward Yard (see Attachment II). BART would reconfigure the properties for use as an integrated maintenance complex, which would include a new approximately 45,000 square foot, 30-foot tall vehicle level overhaul shop that would replace an existing warehouse about twice that size, a component repair shop that would utilize an existing 120,000 square foot warehouse, a central warehouse that would also utilize an existing 120,000 square foot

warehouse, and a maintenance and engineering shop and storage area that that would also utilize an existing 120,000 square foot warehouse.

The existing Vehicle Inspection Area, located on the east side of the existing yard near the Whipple Road gate, would be upgraded and expanded.

New access tracks, turnouts, and switches would be installed to the east side of the maintenance complex north of Whipple Road to connect it to the existing yard tracks (see red-dashed line in Attachment II). Crossovers, where two tracks come together, would be constructed to connect the access tracks to the BART main line tracks south of Whipple Road.

Phase 2 - Currently, there is a 20-acre undeveloped portion of the yard in its northeast quadrant, east of the mainline and north of the maintenance-of-way storage yard. The proposed 250-vehicle storage area on the east side of the Hayward Yard would entail approximately 13 acres within that undeveloped portion, take approximately15 months to construct, and would provide storage for a maximum of 250 vehicles and connecting track work. New lighting, to include shielded lamps, and a small cleaning supplies facility/building would also be constructed in the new vehicle storage area. Two new crossovers would be installed on the BART tracks south of Whipple Road (in Union City) to provide access from the existing BART tracks via the test track to the new storage area. The site is bounded by the existing UPRR rail line on the east, and the BART mainline and test track to the west (see Attachment II).

Flyovers (elevated tracks): As part of Phase II, the new eastside storage tracks would be connected to the mainline tracks via turnouts that use the test track as a route to the proposed train storage area. To reduce the potential disruption to test track activity and mainline traffic due to trains moving in and out of the east side storage area, BART is also proposing two flyovers. The southern flyover would provide access from the storage area to the southbound mainline, and the northern flyover would provide direct access from the east side storage area to the northbound mainline. The two flyovers would be constructed independently of each other. Visual simulations showing the southern flyover are included as Attachments III, IV, and V, with Attachment III showing the view of the southern flyover from the Whipple Road bridge, and Attachments IV and V showing the proposed southern flyover as viewed near the properties along Carroll Avenue that back onto the Union Pacific Railroad property. The railroad lines are located between the Carroll Avenue properties and the BART property.

Expected impacts for the project area in Hayward include those associated with:

a. Construction, including truck construction traffic (almost all of it off and on Whipple Road), and noise and vibration impacts associated with construction (mostly associated with equipment working on construction of track and switches); and
b. Operations, including noise and vibration (associated with additional train operations) and visual impacts (Phase 1: removal of some westside trees (to be replaced) and enlarged inspection building on east side, and Phase 2: elevated flyover, more tracks, more lighting for security).

Environmental Review – BART released an Initial Study/Mitigated Negative Declaration (IS/MND) that assesses the potential environmental impacts of the project and identifies mitigation measures to minimize those impacts for public review and comment on December 3, 2010 (see Attachment VI). The IS/MND document is available on the BART website at www.bart.gov/hmc. CD-ROM copies of the document may also be obtained by e-mailing esmith1@bart.gov or by calling 510-287-4758.

The public review comment period for the IS/MND began on Friday, December 3, 2010 and ends at 5:00 pm on Friday, January 14, 2011. Interested parties may provide comments on the IS/MND document at a public hearing scheduled for December 15, 2010, from 6:30-8:00 pm at the New Haven Adult School, located at 600 G Street in Union City; or in writing to BART offices via mail at P.O. Box 12688, Attn: Ellen Smith, Oakland, CA 94604-2688; via fax to 510-464-7673; or by e-mail to esmith1@bart.gov.

The IS/MND indicates that BART will be able to mitigate all impacts to less-than-significant levels. Impacts addressed include those related to traffic, noise and vibration during the construction period; and noise, vibration and visual impacts during operations (after completion of construction). The associated noise study completed for the IS/MND determined that new sound walls will need to be constructed where necessary south of Whipple Road in Union City on the east side of the BART property. Visual changes include removal of west-side trees, and enlargement of the east-side vehicle inspection building (Phase 1), and construction of flyovers and additional tracks and lighting (Phase 2). The maximum height of the flyovers would be approximately the height of the Whipple Road bridge.

The Draft Mitigated Negative Declaration/Initial Study states on page 29, "Both flyovers would be consistent with the visual appearance of the existing infrastructure and industrial-like operations of the Hayward Yard and would not noticeably detract from the area's existing visual character, which is not considered to be highly sensitive form a visual perspective (i.e., there are no scenic views, resources or visual attributes that distinguish the area). Therefore, the impact of the northern and southern flyovers on the visual character of the area would be less than significant."

City staff would agree that the new eastside storage area and tracks would be consistent with the other uses that exist at the Hayward Yard. However, the new storage tracks and associated lighting (though shielded), with vehicles being stored on those tracks, would be in an area that currently is undeveloped, which would be seen from the back yards of some of the residential properties along Carroll Avenue to the east. As such, City staff recommends that BART implement some screening improvements as part of the project. Such measures could include trees or shrubs planted along the eastern perimeter of the BART property in that area, or treatment of the perimeter fence, etc.

Regarding noise, the Draft Mitigated Negative Declaration/Initial Study on page 97 states, "North of Whipple Road, the project would slightly increase the cumulative noise levels at nearby single-family residences due to trains on the aerial flyover. However, the increase would be below the threshold for moderate impacts. As a result, BART operations on the aerial guideway would be less than significant." The document also states on page 98 that, "Due to BART operations on the proposed storage tracks and other tracks associated with it, there would

be a slight increase in noise levels for nearby residences, between 0.1 and 1.1 dBA over the existing ambient noise. Because the increase would not exceed the threshold of significance for these residences, the impact would be less than significant." Based on the data provided by BART, staff agrees with the analysis presented on noise impacts.

ECONOMIC AND FISCAL IMPACT

This project would not have an economic or fiscal impact to the City.

PUBLIC CONTACT

BART staff advertised and hosted one community meeting in the Hayward Yard area to solicit feedback from the public on certain aspects of the proposed project. Community meeting participants had the opportunity to ask questions and provide feedback. The City of Hayward also announced the meeting via an email blast.

The community meeting was held Thursday, October 21, 2010 at New Haven Adult School at 600 G Street in Union City. Four community members attended the meeting. The low turnout was possibly due to the fact that the San Francisco Giants were in a National League playoff game that evening.

BART staff offered a presentation about the project, and then opened the meeting for questions and comments. The small group size allowed for significant discussion, and for participants to discuss specific aspects of the project with the Project Manager, Project Planning Manager, environmental consultant and Community Relations Manager.

Outreach for the meeting included the following methods: mailings to residents (4,600) and businesses (600) within one mile of the project site; BART website announcement; Bay Area media (both print and online); "in person" outreach in nearby communities; and distribution of flyers and community bulletins through several local community-based and municipal organizations.

SCHEDULE (or NEXT STEPS)

Neither Phase 1 nor Phase 2 of the proposed project is currently funded. Assuming the BART Board approves the proposed project in April of next year, and funding is available, groundbreaking for Phase 1 could be in 2013, with completion in 2017. Funding and phasing for Phase 2 are less certain. BART staff has not identified dates or funding sources for this work yet.

Prepared and Recommended by: David Rizk, AICP, Development Services Director

Approved by:

Fran David, City Manager

Attachments:

Attachment I:	Vicinity Map/Viewpoint Locations Map
Attachment II:	Project Location Map
Attachment III:	Visual Simulation from Viewpoint 1
Attachment IV:	Visual Simulation from Viewpoint 2
Attachment V:	Visual Simulation from Viewpoint 3
Attachment VI:	Announcement of Release of Draft Mitigated Negative Declaration/Initial Study

FIGURE 6
Viewpoint Locations

Source: Environmental Data Resources, Inc., 2009; Google Earth, 2009; PBS&J, 2010.

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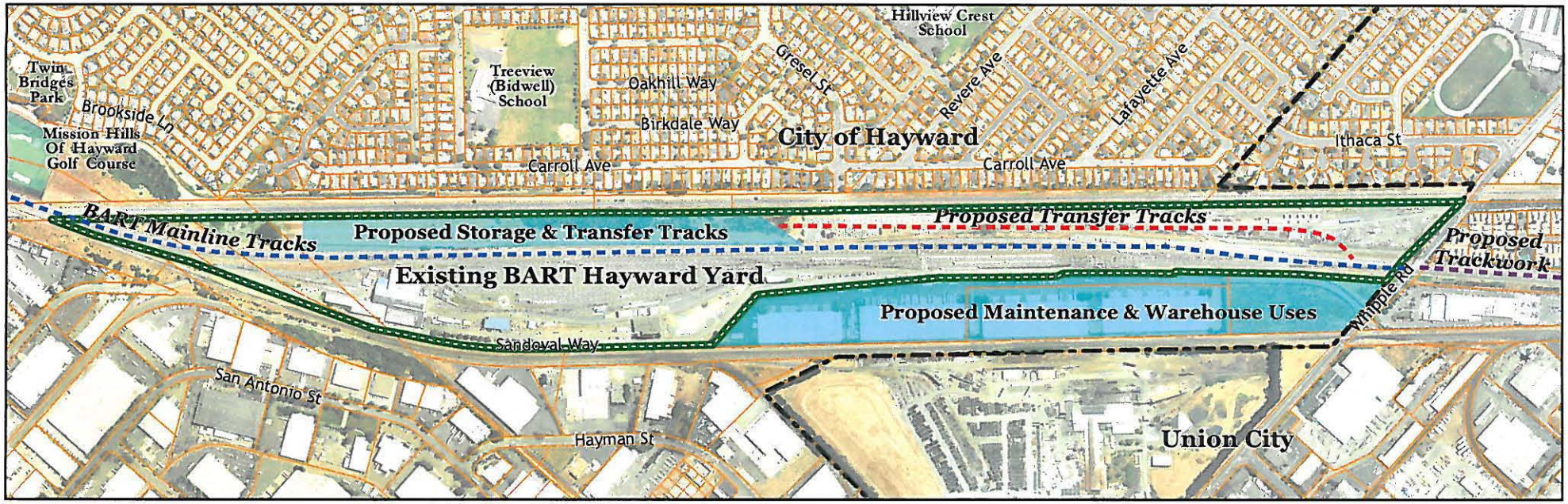
Hayward Maintanance Complex Project IS/MND

Attachment I

BART Hayward Maintenance Complex Project Area



November, 2010

ATTACHMENT II

***Source*:** PGH Wong, 2010.

FIGURE **7**

Viewpoint 1 - Southern Flyover from Whipple Road looking Northwest

***Source*:** PGH Wong, 2010.

FIGURE **8**

Viewpoint 2 - Southern Flyover near Carroll Avenue looking Southwest

Existing Conditions

Proposed Conditions

***Source*:** PGH Wong, 2010.

FIGURE **9**

Viewpoint 3 - Southern Flyover near Carroll Avenue looking South

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
300 Lakeside Drive, P.O. Box 12688
Oakland, CA 94604-2688
(510) 464-6000

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Development Services Department

2010

James Fang
PRESIDENT

Bob Franklin
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Dorothy W. Dugger
GENERAL MANAGER

DIRECTORS

Gail Murray
1ST DISTRICT

Joel Keller
2ND DISTRICT

Bob Franklin
3RD DISTRICT

Carole Ward Allen
4TH DISTRICT

John McPartland
5TH DISTRICT

Thomas M. Blalock, P.E.
6TH DISTRICT

Lynette Sweet
7TH DISTRICT

James Fang
8TH DISTRICT

Tom Radulovich
9TH DISTRICT

December 2, 2010

Dear Sir/Madam:

The enclosed Draft Initial Study/Mitigated Negative Declaration (IS/MND) for the San Francisco Bay Area Rapid Transit District's proposed Hayward Maintenance Complex Project has been prepared in compliance with the California Environmental Quality Act (CEQA).

The proposed Hayward Maintenance Complex Project would expand the BART Hayward Yard by adding storage tracks within the existing property line for a maximum of 250 vehicles, and purchasing four industrial buildings to the west of the yard for maintenance and warehousing. The proposed project includes some demolition and renovation. The project site is zoned for industrial uses and the proposed activities would be consistent with this zoning designation.

Copies of the IS/MND can be reviewed on the BART website at www.bart.gov/hmc. To obtain a copy of the IS/MND document on CD-ROM, email esmith1@bart.gov or call (510) 287-4758. Hard copies of the IS/MND are available for review at the main libraries in Hayward and Union City. Copies of the IS/MND and all documents referenced in the IS/MND are available for public review at the BART Planning Department, 300 Lakeside Drive, 16th Floor, Oakland, CA 94612.

A public meeting to receive public comments on the IS/MND will be held on December 15, 2010 from 6:30 p.m. to 8:00 p.m. at the New Haven Adult School, 600 G Street, Union City, CA 94587. For further information contact Ellen Smith at (510) 287-4758. BART provides service/accommodations upon request to persons with disabilities and individuals who have limited English proficiency who wish to address matters related to the Hayward Maintenance Complex Project. A request must be made within one and five days in advance of the meeting, depending on the service requested.

Written comments on the Draft IS/MND may be sent to BART at P.O. Box 12688, Attn: Ellen Smith, Oakland, CA 94604-2688, faxed to (510) 464-7673, or emailed to esmith1@bart.gov. The public comment period for the Draft IS/MND begins on Friday, December 3, 2010, and ends at 5 pm Friday, January 14, 2011.

Thank you for your interest in the environmental process.

Sincerely,

Ellen M. Smith

Ellen Smith
Project Environmental Manager, Hayward Maintenance Complex Project
San Francisco Bay Area Rapid Transit District

MINUTES OF THE SPECIAL CITY COUNCIL MEETING OF THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, November 30, 2010, 7:00 p.m.

MEETING

The Special Meeting of the City Council was called to order by Mayor Sweeney at 7:00 p.m., followed by the Pledge of Allegiance led by Council Member Halliday.

ROLL CALL

Present:	COUNCIL MEMBERS Zermeño, Halliday, Peixoto, Salinas, Henson MAYOR Sweeney
Absent:	COUNCIL MEMBER Quirk

PUBLIC COMMENTS

Mr. Doug Ligibel, Grand Terrace resident, complimented the work done by Council Members Zermeño and Halliday. Mr. Ligibel expressed concern about the escalating crime rate in Hayward especially crime committed by youth. Mr. Ligibel said that there are 2000 identified gang members and there are no consequences for juvenile delinquent behavior, which is reflected by repeated vandalism. He mentioned that in order to address this concern, it is critical to fund police resources and to have more uniformed officers.

SPECIAL WORK SESSION (60-Minute Limit)

1. 2010 Customer Satisfaction Survey and Sales Tax

City Manager David highlighted the purpose of the presentation and introduced Douglas T. Jensen, MuniServices Vice President, who delivered a PowerPoint presentation regarding Sales Tax Trends and Economic Analysis.

In response to Council Member Salinas' question about California issues listed under "Weaknesses," Mr. Jensen noted that California is an expensive state because of the high cost of regulations, taxes, workers' compensation and medical care. Regarding Mr. Salinas' inquiry of examples of what other cities have done to successfully attract businesses, Mr. Jensen said that some cities are attending the International Council of Shopping Centers (ICSC) conferences, building relationships with commercial real estate brokers, and working with mall owners and conducting retail outreach. He also mentioned he would provide more data at a later date.

In response to Council Member Henson's question about what can be done to stop the leakage in the full-service restaurant area, City Manager David hoped that the presentation would help define which areas would benefit from economic development efforts. Mr. Jensen noted for Mr. Henson that recreation venues such as bowling alleys are service-oriented and not subject to sales tax.

In response to Council Member Halliday's question about sales tax on internet purchases, Mr. Jensen clarified that in order to collect sales tax the store has to have a nexus to California. Mr. Jensen further noted that this requires Federal action and that a bill has been introduced regarding internet taxation.

In response to Council Member Zermeño's question regarding residents' purchasing power and its decline, Mr. Jensen responded that he would provide the data to Economic Development Manager Brooks.

Council Member Salinas noted that B Street has the potential to become an entertainment and food corridor and inquired what the impact would be to the sales tax revenue. Mr. Jensen clarified that movie tickets are non-taxable, but could create positive synergy and bring foot traffic to the area.

Mr. Jensen clarified for Council Member Henson that hotels are non-taxable and that the potential for sales tax revenue would be captured in the retail and restaurant areas.

In response to Council Member Halliday's inquiry as to Hayward's status in relation to other cities, Mr. Jensen mentioned that Hayward has a remarkably diverse sales tax base.

Council Member Peixoto mentioned that the City has been having difficulty attracting restaurants and entertainment venues and inquired what environmental components would be necessary to attract these types of businesses. Mr. Jensen responded the two components that are important are safety and tenant improvements. Mr. Jensen noted that the City's requirements can be costly barriers for restaurants and he suggested reviewing them from a policy perspective.

Council Member Salinas asked if a better approach would be for the City to concentrate on an industrial business park plan that focuses on recruiting solid tax-based businesses. Mr. Jensen responded that the ideal business would be one that has its "point of sale" location in the City and provided good jobs.

Council Member Zermeño felt that full-service restaurants would provide synergy to the downtown area.

City Manager David mentioned that being able to collect sales tax on services was fundamental and noted that internet sales will continue to grow. Ms. David noted that it takes time attracting full-service restaurants and also property owners who are willing to accommodate the needs of a restaurant. She noted that building owners need to participate by providing either a break in rent while the tenant makes the necessary improvements or by performing the improvements themselves. She added that many downtown buildings are older which translates to higher tenant improvement expenditures to meet requirements.

Economic Development Manager Brooks, mentioned that a large part of the City's sales tax revenue comes from Southland Mall. He noted that in regards to hotels there is the collection of the Transient Occupancy Tax (TOT) and as more hotels are constructed their TOT revenue will increase. Mr. Brooks pointed out that there is a demand for full-service restaurants, but prospective

tenants have specific criteria such as availability of land near transportation corridors. He said additional criteria that retailers and restaurant owners look at are: daily average traffic trips, infrastructure improvements, and co-tenant issues. Mr. Brooks said that as those criteria are met, there will be the potential for new restaurants and retailers.

City Manager David mentioned that in the future sales tax will be tied to the Utility Users Tax (UUT), and pointed out that there are efforts by the cell phone industry to have lower sales tax rates applied to cell phone service and if this were to occur, the sales tax would be removed from the UUT.

City Manager David introduced Mr. Bryan Godbe, Godbe and Associates President, who presented the results of the survey.

In response to Council Member Henson's inquiry about survey results that addressed whether Hayward residents are technologically connected, Mr. Godbe acknowledged that there is an internet gap between lower and higher income household levels. In reference to crime and public safety concerns, Mr. Henson mentioned that there are higher levels of safety concern about gangs for the Hispanic and African-American communities than what was reflected in the survey. In response to Mr. Henson's inquiry if academic performance and safety in schools were addressed in the 2010 Survey, City Manager David noted the data about academic performance and safety on campuses was a known concern and although not included this time it would be included in the next survey. Mr. Henson suggested that the data collected could have been more significant than in the past.

Council Member Peixoto referenced the overall dissatisfaction with City services and noted that responses from older generations could be interpreted as relating to the number of years that residents have lived in Hayward.

Council Member Salinas mentioned that the data presented relating to demographics and satisfaction was reflective of his observations. Mr. Salinas noted that Hayward currently has an unemployment rate of 12.9% but even with such a high unemployment rate there was high satisfaction rating among the 30-39 demographic age group. Mr. Salinas suggested outreach strategies such as having announcements of City Council and other City meetings included in water bills; post Neighborhood Partnership Meeting announcements on school marquees; and utilize the school phone tree network to notify the school community about upcoming meetings.

In response to Council Member Zermeño's question regarding the DK (don't know)/N (nothing)/NA (no answer) responses, Mr. Godbe explained that the survey is of public opinion and sometimes there is no opinion.

Council Member Halliday noted that the results of the survey can be used as ongoing tool for Council to measure progress over time and to give staff and Council an awareness of what areas need to be targeted. Ms. Halliday said that the customer service rating was a bit disappointing as

she felt that staff had worked diligently to engage and inform the community, but the survey indicated that there was room for improvement. She advocated for a City newsletter and added that there is a need for a Public Information Officer. She also noted the need for outreach to the Asian, and other communities, that do not speak English.

Mayor Sweeney was in agreement with Council Member Halliday that the survey is a valuable tool for Council and staff. Mayor Sweeney said the survey brings balance to the work being done and underscores issues that are known such as crime; the gang injunction program; and the value of supporting good local manufacturing companies that employ residents. He mentioned that repetition is vital to improve outreach to the community and that these are challenging times, given the economy and changes in media coverage. He added that over time the survey will be a valuable tool providing important information when Council deliberates its priorities.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Zermeño invited the audience to visit the new Kokyo Sushi Buffet located on the 2nd Floor of Cinema Place at B Street and Foothill Boulevard. He also mentioned that the Hayward Firefighters and the Silva Clinic are organizing toy drives for kids in need.

Council Member Halliday reminded everyone to attend the Light Up the Season on Thursday, December 2, 2010, and the Santa Pet Parade on Saturday, December 4, 2010.

Council Member Salinas noted the importance of volunteering during the holiday season.

ADJOURNMENT

Mayor Sweeney adjourned the meeting at 8:48 p.m.

APPROVED:

_____

Michael Sweeney, Mayor, City of Hayward

ATTEST:

_____

Miriam Lens, City Clerk, City of Hayward

MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, December 7, 2010, 7:00 p.m.

MEETING

The meeting of the City Council was called to order by Mayor Sweeney at 7:00 p.m., followed by the Pledge of Allegiance led by Mayor Sweeney.

ROLL CALL

Present:	COUNCIL MEMBERS Zermeño, Quirk, Halliday, Peixoto, Salinas, Henson MAYOR Sweeney
Absent:	NONE

CLOSED SESSION ANNOUNCEMENT

Mayor Sweeney reported that Council met pursuant to Government Code 54957 regarding the City Manager's Performance Evaluation. There were no reportable items.

PRESENTATION

Business Recognition Award

The City of Hayward presented the Business Recognition Award for December 2010 to Costco Wholesale, located at the corner of Hesperian and Industrial Boulevards. The new Hayward Costco employs 200 full and part-time employees. The award was given in recognition of the contributions the company has made to the community by: locating their second store in Hayward; providing excellent product pricing for budget-conscious shoppers; providing job opportunities to local residents; making generous donations; supporting the City's Shop Hayward Campaign; and contributing to the overall economic well being of the community. Mr. Shannon Weeks, Warehouse Manager, accepted the award and thanked the City for such a special recognition. On behalf of Christ's Community Church, Pastor Sue Kuipers, honored Costco for their generous donations to the church located in the Southgate neighborhood.

PUBLIC COMMENTS

DeVonne Barrington submitted a card but did not speak.

Joey Cardenas submitted a card but did not speak

Ms. Deborah Curtis, Folsom Avenue resident, said that there have been issues with a residence on Mission Boulevard and requested that the Hayward Police Department address them by visiting the

residence. Mayor Sweeney informed Ms. Curtis that she could talk to the officer present in the back of the Chambers.

Mr. David Levingston, Oakland resident, expressed support for the Development, Relief and Education for Alien Minors Act (The "DREAM Act".) He mentioned a friend who is an undocumented resident and described the problems she has been encountering since her parents were deported. In response to Mr. Levingston's question as to what could be done, Mayor Sweeney suggested that he contact his legislators.

Samuel Gomez, Union City resident and Chabot College student, expressed support for the DREAM Act and said he believed everyone could benefit from this effort. He asked Council for their support and hoped that other cities would join.

Scarlett Cervera, Western Boulevard resident and Tennyson High School student, supported the DREAM Act and noted that education is the key to the future. She said that no one should be denied the right to an education because of his/her legal status.

Jessica Martinez, Pinedale Court resident, also supported the DREAM Act, indicating Latinos and other immigrants come to this country seeking higher education and to improve their lives.

Karina Lara, Sleepy Hollow Avenue resident, asked for support of the DREAM Act and for the opportunity to an education. She asked Council to write a letter of support.

Agustin Andrade, Inglewood Street resident, expressed support for the DREAM Act and mentioned this is a way for the community to improve itself. He asked Council to support Hayward students and allow them to fulfill their potential and continue their education.

Mr. Jim Drake, Franklin Avenue resident, referenced the community meeting on December 9, 2010, and invited all to attend and learn about the proposed changes to the Noise Ordinance. Mr. Drake said the community meeting will be of special interest to residents living near commercial properties.

City Clerk Lens indicated that Mr. Jason Moreno, Hayward resident, asked her to include as part of the record a letter dated December 2, 2010, from Jason Moreno to Waste Management. It was noted that a copy of the letter was placed on the table in the back of the Chambers and a copy would be posted on the City's website as an item received at the meeting.

Council Member Zermeño asked that a letter be written in support of the DREAM Act. He commented on the spirit and courage of the proactive group of supporters who came and spoke and asked for Council's support. Council Member Halliday questioned whether this was within the purview of the Council's policy and thanked the speakers for their attendance. Council Member Quirk stated that this issue was within the framework of the Council's policy because the passage of the DREAM Act would directly affect Hayward residents. He was in support of sending a letter. Mayor Sweeney confirmed that there were four members of the Council who agreed to consider a resolution and directed staff to bring back a resolution at the next meeting. Mr. Zermeño invited the group of supporters to attend the next Council meeting.

MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, December 7, 2010, 7:00 p.m.

WORK SESSION

1. Update on Police Department's Strategic Plan

Staff report submitted by Captain Palermini, dated December 7, 2010, was filed.

Police Chief Ace thanked the Hayward Police Department (HPD) and acknowledged the support of Council and City Manager David. Chief Ace gave an overview of the report and introduced Captain Palermini, who in turn outlined the four priorities of the Strategic Plan. Mr. Palermini presented a short video about the Specialized Multi-Agencies for Safe Housing (SMASH) Program, which was recognized as a model program by the International Association of Chiefs of Police (IACP).

Mayor Sweeney, on behalf of Council, thanked Police Chief Ace, Captain Palermini and the officers of the HPD for doing an outstanding job and said that the most impressive point made was that the HPD is always striving to be better department and looking for new ways to improve.

Council Member Quirk said he was in agreement that dealing with crime prevention actions, that have yet to be addressed, is a priority and that Council should take a look at how to make this happen. Mr. Quirk was concerned about the membership of the Neighborhood Alert Program and asked if there was anything the HPD could do to help recruit new members. He suggested that new police captains represent patrol areas on the board and thus improve leadership. Mr. Quirk mentioned said that he liked the discussion regarding reducing domestic violence recidivism and the twelve-month running comparison charts. He requested that Council receive the comparison charts on a regular basis and that they be included in the Neighborhood Alert bulletin. He appreciated the low numbers involved with the murder statistics. Mr. Quirk commented on the fact that burglary is a top priority and appreciated how the department was handling this issue in a systematic manner. Mr. Quirk said that a new facility was important and requested more input from HPD.

Council Member Zermeño thanked HPD for the work they do and praised Lt. Boykins and Captain McAllister for attending the Hispanic Roundtable and St. Rose Foundation meetings. Mr. Zermeño referred to *Objective 1.2.1 Increase community participation in the Volunteer Ambassador Program,* and emphasized the need for expanded presence in other parts of the City. In reference to *Objective 1.3.2 Develop a Gang Intervention Program,* he requested expanding the existing sports program to include basketball and track. In reference to *Objective 1.4.3 Develop a process for business, corporations, and foundations*, he said this is an excellent plan to partner with businesses, corporations and non-profit organizations. He referred to *Objective 1.4.4 Increase Police Department level of participation in civic organizations,* and asked if this can be expanded upon as it would be very positive for the public to see police presence, not just as enforcers of the law, but also as friends and part of the community.

Council Member Peixoto thanked Chief Ace and his department for the presentation. In response to Council Member Peixoto's concern about the murder rate, Police Chief Ace explained that there was a gang connection and/or overtones of gang involvement for half of the murders committed. Mr. Peixoto commented that his confidence in the HPD has been raised by the amount of time the department has devoted to the Gang Programs for intervention, prevention, and injunction. Mr. Peixoto complimented the HPD for their efforts in obtaining State and Federal funds for proactive preventative programs such as gang alternative programs and the Police Athletic League (PAL).

Council Member Halliday congratulated the HPD for striving for the goal of Commission on Accreditation for Law Enforcement Agencies (CALEA) certification and gaining national recognition from the SMASH program. Ms. Halliday was pleased that the installation of cameras at schools has been completed and that issues with the Hayward Unified School District have been resolved. She commented on the significant reduction in overtime and noted that this shows effectiveness of the force overall. In response to Ms. Halliday's inquiry about the survey and if it was overseen by CALEA, Chief Ace responded that as a condition for accreditation by CALEA, a citizens survey needs to be conducted every three years. Chief Ace noted that through the survey the department was able to obtain a baseline of what areas need to be targeted and the recommendation for future surveys was to hire a survey company. In response to Ms. Halliday's inquiry about the status of the grant that would have funded non-sworn positions; Chief Ace said that the grant was not awarded. Chief Ace confirmed for Ms. Halliday that a system is in place for performance appraisals to be conducted on regular basis.

Council Member Quirk left the dais at 8:27 p.m.

Council Member Henson thanked Chief Ace and the HPD for all their hard work and congratulated the department for working towards the CALEA certification. Mr. Henson was impressed that every strategy in the Strategic Plan had a name attached to it, which gave it an accountability factor. He felt that the HPD has done a magnificent job in addressing the crime issues and noted the 16% drop in Total Part 1 Crime is significant. He said members of the public impacted by the increase of burglaries over the summer were satisfied by how the department handled their investigations. Mr. Henson mentioned that he hoped the 3rd District Command could be addressed in the future. In response to Mr. Henson's request to expand upon the training program that prepares personnel for leadership positions, Captain Palermini noted that 90 hours of training is required for every officer and that the department will send officers to advanced schools when the budget allows. Chief Ace noted that part of the training program is rotating assignments, which gives officers exposure and a better base of knowledge. Mr. Henson pointed out that crime mapping is important and will now be available with the new CAD/RMS System. Mr. Henson mentioned that *Objective 1.4.3 Develop a process for businesses, corporations, and foundations,* is extremely important and suggested looking at other models. Mr. Henson said that even with budget constraints, the HPD has done a remarkable job and he thanked the reserve officers for their efforts.

In response to Council Member Salinas' question of how many bilingual officers are on the force, Chief Ace said that he would have to research the question. In response to Mr. Salinas' inquiry if the prevention programs are included as part of the gang injunction, Chief Ace said that the Gang Injunction Program was a separate entity and although the prevention programs are not a part of the Gang Injunction Program, they were both necessary to complement each other. Mr. Salinas referred

to *Objective 3.3.1 Renew and revise the comprehensive Cultural Awareness Training Program,* and asked for its status. Police Chief Ace responded that he is confident that in working with Human Resources Director Robustelli, the training will be accomplished in the near future. Mr. Salinas said that he has observed the Police Department's spirit of community service and commented that both Lieutenant Lindblom and Lieutenant Boykins are present at different City events.

CONSENT

Consent Item No. 2 was pulled for separate vote.

2. Approval of Minutes of the Special City Council/Library Commission Meeting on November 9, 2010

It was moved by Council Member Zermeño, seconded by Council Member Peixoto, and carried with Council Member Quirk absent and Mayor Sweeney abstaining, to approve the minutes of the City Council Meeting of November 9, 2010, with a typographical change to the minutes to reflect $30 million instead of $30,000.

3. Approval of Minutes of the City Council Meeting on November 16, 2010

It was moved by Council Member Henson, seconded by Council Member Zermeño, and carried with Council Member Quirk absent, to approve the minutes of the City Council Meeting of November 16, 2010.

4. Authorize the City Manager to Enter Into a Contract with Government Finance Officers Association to Provide Consulting Services to Assist the City with the Selection of an Enterprise Resource Planning System

> Staff report submitted by Director of Finance Auker, dated December 7, 2010, was filed.

It was moved by Council Member Henson, seconded by Council Member Zermeño, and carried with Council Member Quirk absent, to adopt the following:

> Resolution 10-180, "Resolution Authorizing the City Manager to Negotiate and Execute a Professional Services Agreement with Government Finance Officers Association (GFOA), to Assist the City with the Selection of an Enterprise Resource Planning System"

5. Authorization for the City Manager to Execute a Professional Services Agreement with TJKM Transportation Consultants for Traffic Signal Timing Design Services and to Appropriate Funds

from Transportation for Clean Air (TFCA) Grant, and to Execute a TFCA Fund Transfer Agreement

Staff report submitted by Deputy Director of Public Works Fakhrai, dated December 7, 2010, was filed.

It was moved by Council Member Henson, seconded by Council Member Zermeño, and carried with Council Member Quirk absent, to adopt the following:

Resolution 10-181, "Resolution Authorizing the City Manager to Execute a Professional Services Agreement with TJKM Transportation Consultants for Traffic Signal Timing Design Services, Authorizing the City Manager to Execute a Transportation for Clean Air Fund Transfer Agreement with the Alameda County Transportation Commission and Appropriating Funds"

6. Emergency Wells Supervisory Control and Data Acquisition (SCADA) Installation Project: Approval of Plans and Specifications and Call for Bids

Staff report submitted by Deputy Director of Public Works Ameri, dated December 7, 2010, was filed.

It was moved by Council Member Henson, seconded by Council Member Zermeño, and carried with Council Member Quirk absent, to adopt the following:

Resolution 10-182, "Resolution Approving Plans and Specifications for the Emergency Wells Supervisory Control and Data Acquisition (SCADA) Installation Project, Project No. 7171, and Call for Bids"

PUBLIC HEARING

7. Underground District No. 29 for Mission Boulevard from A Street to the North City Limit: Adoption of a Resolution to Establish and Introduction of Ordinance

Staff report submitted by Deputy Director of Public Works Fakhrai, dated December 7, 2010, was filed.

Director of Public Works Bauman provided a synopsis of the report and noted that Public Works had received approximately seven calls from property owners who questioned who would pay for the cost of the conversion. Mr. Bauman indicated that when property owners learned that they would not be responsible for the cost, they were amenable to the underground districts.

Council Member Henson was pleased to establish Underground Districts 29 and 30. In response to Mr. Henson's inquiry about remaining Caltrans properties, Public Works Director Bauman responded two parcels owned by Caltrans would be relinquished when the City had the funds and was ready to move forward. Mr. Henson was pleased that the proposed light-emitting diode (LED)

streetlights would provide energy efficiency and sustainability. Mr. Bauman confirmed for Mr. Henson that the 238 Corridor Improvement Project will have LED streetlights along the entire corridor and the areas scheduled to be improved; however, due to upfront costs, at present there is no plan to have LED streetlights for the entire city. Mr. Henson was hopeful that grant funds will be made available for cover more areas.

In response to Council Member Peixoto's question about how California Public Utilities Commission (CPUC) Rule 20A funds are generated, Public Works Director Bauman noted that funds are collected from PG&E customers to replace overhead wires. Mr. Bauman said there should be approximately $30 million from City's Local Alternative Transportation Improvement Program (LATIP) funds to perform the improvements on the two parcels yet to be relinquished by Caltrans. Mr. Bauman explained for Mr. Peixoto that LATIP funds are generated when properties are sold.

Mayor Sweeney opened the public hearing at 8:56 p.m.

Ms. Joann DeMar, Mission Boulevard resident, expressed she did not have the money to pay for the conversion on her property and added that the public should have been consulted. Public Works Director Bauman noted there will be no cost to property owners for the conversion and explained that the underground wiring would eliminate the overhead wires. In addressing Ms. DeMar's concern regarding unlit streets, Mayor Sweeney mentioned that there will be improvement to the street lighting in the project areas and mentioned that the public was noticed and given the opportunity to provide input.

Mayor Sweeney closed the public hearing at 9:01 p.m.

It was moved by Council Member Peixoto, seconded by Council Member Henson, and carried unanimously with Council Member Quirk absent, to adopt the following:

> Resolution 10-183, "Resolution to Establish Underground District No. 29 for Mission Boulevard from A Street to the North City Limit"
>
> Introduction of Ordinance 10-_, "An Ordinance Amending Article 4, Chapter 11 of the Hayward Municipal Code by Adding Section 11-4.29, Thereto Relating to Underground District No. 29"

8. Underground District No. 30 for Mission Boulevard from 700 Feet South of Arrowhead Way to the South City Limit: Adoption of a Resolution and Introduction of an Ordinance to Establish; and Approval of the Underground District Priority List

> Staff report submitted by Deputy Director of Public Works Fakhrai, dated December 7, 2010, was filed.

Director of Public Works Bauman provided a synopsis of the report.

There being no comments Mayor Sweeney opened and closed the public hearing at 9:06 p.m.

It was moved by Council Member Henson, seconded by Council Member Peixoto, and carried unanimously with Council Member Quirk absent, to adopt the following:

> Resolution 10-184, "Resolution to Establish Underground District No. 30 for Mission Boulevard from 700 Feet South of Arrowhead Way to the South City Limit"
>
> Introduction of Ordinance 10-_, "An Ordinance Amending Article 4, Chapter 11 of the Hayward Municipal Code by Adding Section 11-4.30, Thereto Relating to Underground District No. 30"

LEGISLATIVE BUSINESS

9. Adoption of Ordinance Amending Chapter 10, Article 1 of the Hayward Municipal Code by Modifying a Planned Development District to Allow Additional Uses Pursuant to Zone Change Application No. PL-2010-0120 ***(Ordinance Introduced on November 16, 2010)***

> Staff report submitted by City Clerk Lens, dated December 7, 2010, was filed.

There being no comments, Mayor Sweeney opened and closed the public hearing at 9:07 p.m.

It was moved by Council Member Zermeño, seconded by Council Member Halliday, and carried with the following roll call vote, to adopt the Ordinance:

AYES:	Council Members Zermeño, Halliday, Peixoto, Salinas
NOES:	Council Member Henson MAYOR Sweeney
ABSENT:	Council Member Quirk
ABSTAINED:	None

> Ordinance 10-20, "An Ordinance Amending Chapter 10, Article 1 of the Hayward Municipal Code by Modifying a Planned Development District to Allow Additional Uses Pursuant to Zone Change Application No. PL-2010-0120"

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Zermeño reported favorably on his attendance at the Mt. Eden High School Concert on Saturday.

ADJOURNMENT

Mayor Sweeney gave the opportunity to Council Member Salinas to adjourn the meeting at 9:13 p.m., in memory of Richard Osorio. Mr. Osorio was an exemplary children's librarian at the Hayward Public Library for more than 24 years as well as an accomplished story-teller, magician, traveler, and also bilingual. Mayor Sweeney asked staff to work with the family to find a suitable location to plant a tree in Richard Osorio's memory.

APPROVED:

_____
Michael Sweeney, Mayor, City of Hayward

ATTEST:

_____
Miriam Lens, City Clerk, City of Hayward

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Director of Finance

SUBJECT: Transmittal of the Comprehensive Annual Financial Report for the Year Ended June 30, 2010; and of the "Communication of Internal Control Related Matters" and "Communication with Those Charged with Governance" Letters

RECOMMENDATION

That the Council adopts the Resolution to receive and file the City's Comprehensive Annual Financial Report (CAFR) and the attached letters: "Communication of Internal Control Related Matters" and "Communication with Those Charged with Governance."

DISCUSSION

The City's audit firm Mayer Hoffman McCann, PC, has completed its audit of the City's financial records for the fiscal year ended June 30, 2010 (FY 2010). The firm of Mayer Hoffman McCann has over 50 years of municipal auditing experience in over 100 government agencies and has been the City's auditors for the past three years. In addition to the audited financial statements, the auditors have completed and provided the required letters entitled *Communication with Those Charged with Governance* (Attachment III) and *Communication of Internal Control Related Matters* (Attachment IV).

Comprehensive Annual Financial Report

The City's Comprehensive Annual Financial Report (CAFR) (Attachment V) includes all funds of the City including the General Fund, Redevelopment Agency, 238 Settlement Agreement, 238 Corridor Improvements, Water, Sewer, Airport, and all other funds. Staff is pleased to report that, as in previous years, the auditor's opinion on the financial statements for FY 2010 is without exception and is unqualified. That is, the auditor's report is not restricted (qualified) in some manner, nor does it take exception with any of the information contained in the City's financial statements. While a qualification or exception is not necessarily detrimental, the ability to report that the City's financial statements continue to earn a "clean opinion" is a positive statement about the City's financial management and oversight.

Staff will submit this Report to the Government Finance Officers Association (GFOA) award program, which is a prestigious national award recognizing conformance with the highest standards

for preparation of local government financial reports. The City of Hayward has received this award for the last twenty-four consecutive years.

FY 2010 General Fund Financial Results – The FY 2010 budget was presented and adopted in June 2009. The adopted budget presented a balanced budget. During the FY 2010 mid-year review, the Council took actions to adjust revenue projections which resulted in a projected use of approximately $4.3 million in General Fund Reserves. However, based on actual revenues, which came in $5.8 million better than expected in areas such as sales tax, utility users tax, and construction related charges, and expenditures ending approximately $2.6 million under budget, the actual net effect of year-end income and spending resulted in a $4.2 million addition to reserves. The General Fund financial data presented in the CAFR presents a total fund balance of $37 million at June 30, 2010. This fund balance includes the following reserved and designated amounts:

Table 1

General Fund Fund Balance at June 30, 2010			
Reserves (legally obligated):		Designations (specific use set by Council policy):	
Encumbrances/ purchase obligations	$256,170	Economic Uncertainty	$9,350,000
Advance from Redevelopment Agency	9,144,570	Liquidity	4,675,000
Inventory	18,946	Hotel Conference Center	1,000,000
Prepaid items	14,893	Retirement	522,000
		Public Safety	1,000,000
		Contingency	10,820,200
Total Reserved Fund Balance	$9,434,579	Total Designated Fund Balance	$27,367,200

A summary of the General Fund activity for FY 2010 is provided as Attachment II.

Communication Letters from Auditors

Auditing standards require auditors to formally communicate with the governing body. The purpose being to establish direct and effective two-way communication with the Council and staff, to convey audit matters, the scope of work, difficulties, adjustments to financial statements, or disagreements with management. The *Communication with Those Charged with Governance* did not report any difficulties in performing the audit or any disagreements with management. The letter does outline two corrections or adjustments to the financial statements that the auditors assisted staff with as noted in Attachment III and summarized below:

- The auditors proposed an adjustment to reduce the receivable balance for the Cannery project by $248,590 for certain fees and pass-though payments collected in FY 2010. Staff agreed to this adjustment.

- The auditors also proposed an adjustment to offset notes receivable on a Redevelopment Agency loan with deferred revenue in the amount of $275,624 for consistency with other notes receivable balances. Staff agreed to this adjustment.

The second letter presented to management is the *Communication of Internal Control Related Matters.* This letter has two major objectives: (1) to advise the governing body or City Council of any significant deficiencies or material weaknesses in the City's systems of internal financial controls; and (2) to communicate to the Council any opportunities for improved controls or efficiencies that the auditors may have noted during the course of their audit. This letter may also advise the Council of upcoming accounting regulations, which may affect the City's financial records. Staff's responses to the auditor's comments and recommendations are noted in the Letter at Attachment IV.

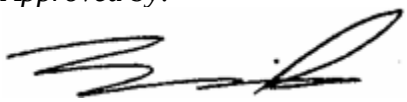
Staff is pleased to report that the auditors did not identify any deficiencies that would be considered a material weakness in the City's system of internal controls. However, the auditors made one comment and recommendation based on assessments made during the audit, which if implemented, they believe would be of benefit to the City. The audit recommendation was to modify the City's purchasing policies to include specific exemptions from the bidding process and reference specific legal codes that allow for these exemptions. The City plans to review and revise the City's purchasing policies over the next year and will incorporate these recommendations into policies.

PUBLIC CONTACT

Staff presented the General Fund audited balances and Internal Control letters to the Budget and Finance Committee on November 30, 2010.

Prepared by: Debra C. Auker, Director of Finance

Approved by:



_____

Fran David, City Manager

Attachments:
I. Resolution
II. General Fund Overview for FY 2010
III. Auditor Communication to Those Charged With Governance
IV. Communication of Internal Control Related Matters
V. Comprehensive Annual Financial Report (CAFR) located on the city website http://www.hayward-ca.gov/departments/finance/documents/COH_2010_CAFR.pdf

ATTACHMENT I

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-

Introduced by Council Member

RESOLUTION ACCEPTING THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2010; AND THE "COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS" AND "COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE" LETTERS

WHEREAS, the audit of the financial statements and internal controls of the City of Hayward has been completed for the year ended June 30, 2010 by the City's independent auditors Mayer Hoffman McCann.

BE IT RESOLVED by the City Council of the City of Hayward that the City Council accepts and files the Comprehensive Annual Financial Report for the Year Ended June 30, 2010; and the "Communication of Internal Control Related Matters" and "Communication with Those Charged with Governance" letters.

HAYWARD, CALIFORNIA _____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST:_____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

General Fund Overview for FY 2010

ATTACHMENT II

($'s in thousands)

	Final Budget FY 2010	Actual FY 2010
Resources		
Revenue		
Property Tax	$ 37,167	$ 37,292
Sales Tax	22,069	23,509
Utility users tax	10,000	10,927
Other taxes	18,661	18,381
Licenses and permits	2,621	3,036
Fines and Forfeitures	1,643	1,973
Investment income	200	300
Use of property	-	26
Intergovernmental	3,453	3,955
Fees and charges for services	6,902	8,538
Other revenue	1,343	1,946
Subtotal Revenue	104,057	109,884
Transfers In	12,298	12,422
Total Resources	**$ 116,356**	**$ 122,306**
Outlays		
Expenditures		
Employee services	$ 90,287	$ 89,069
Maintenance and Utilities	2,273	2,056
Supplies and Services	7,711	6,044
Internal Service Fees	9,113	9,113
Project Expense	-	521
Capital Expense	187	133
Subtotal Expenditures	109,571	106,937
Transfers Out	11,072	11,154
Total Outlays	**$ 120,643**	**$ 118,091**
Excess of Revenues Over (Expenditures)	**$ (4,287)**	**$ 4,215**

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949-263-5520 fx
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To the Honorable Mayor and City Council
City of Hayward, California

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Hayward ("City") for the year ended June 30, 2010, and issued our report December 3, 2010. Professional standards require that we provide you with the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and OMB Circular A-133

Our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement. In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with U.S. Office of Management and Budget (OMB) Circular A-133.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the City's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement applicable to its major federal program for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our letter dated June 15, 2010.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Hayward are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year ended June 30, 2010. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City of Hayward's financial statements were:

- Management's estimate of the useful life and depreciation methodology used to determine depreciation for capital assets, including infrastructure.
- Management's estimate involving collectability of outstanding receivables.
- Fair market value of cash and investments.
- Estimates related to allocation of administrative costs between funds of the City.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. These disclosures include pension and other post employment benefits, cash and investments, and long-term liabilities.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Adjustments detected as a result of audit procedures and corrected by management were as follows:

- To reduce Cannery receivable balance by certain fees and pass-throughs collected in FY 2010
- To offset certain Redevelopment Agency notes receivable with deferred revenue for consistency with other notes receivable

In addition, the attached audit adjustments were not corrected by management because they were considered immaterial to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 3, 2010.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the City Council and management of the City of Hayward and is not intended to be and should not be used by anyone other than these specified parties.

Mayer Hoffman McCann P.C.

Irvine, California
December 3, 2010

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The Honorable Major and City Council
City of Hayward, California

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hayward as of and for the year ended June 30, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Hayward's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore there can be no assurance that all such deficiencies have been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

However, as a service to you, we identified during our audit a matter that provides you the opportunity to enhance your existing internal controls. This matter is provided as a recommendation for your consideration and is not considered to be a material weakness in internal control or significant deficiency in internal control.

(1) Suggested Modifications to Purchasing Policy

The City's purchasing policy states that written justification (with approval from the Department Head and Assistant City Manager) is required for a single vendor purchase outside the bid process. However, during our testing of compliance with the City's purchasing policy, we noted that certain sole source purchases were instead supported by other government's purchasing policies or legal codes (i.e. Education Code) that were not referenced in the City's purchasing policy.

Recommendation

We recommend the purchasing policy be modified to include specific exemptions from the bidding process and reference specific legal codes governing purchasing.

(1) Suggested Modifications to Purchasing Policy, (Continued)

Management's Comments

The City is committed to reviewing and revising the purchasing policies to include specific exemptions from the bidding process, and reference specific legal codes that allow for these exemptions.

This communication is intended solely for the information and use of management, the City Council, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Mayer Hoffman McCann P.C.

Irvine, California
December 3, 2010

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Redevelopment Agency Board Members
Mayor and City Council

FROM: Redevelopment Director

SUBJECT: Adoption of the Annual Report of Redevelopment Agency Activities For FY 2010

RECOMMENDATION

That the Agency Board adopts the attached resolution approving the Annual Report of Redevelopment Agency Activities for FY 2010 and presents the report to the City Council; and

That the City Council adopts the attached resolution, receiving the Annual Report of Redevelopment Agency Activities for FY 2010.

BACKGROUND

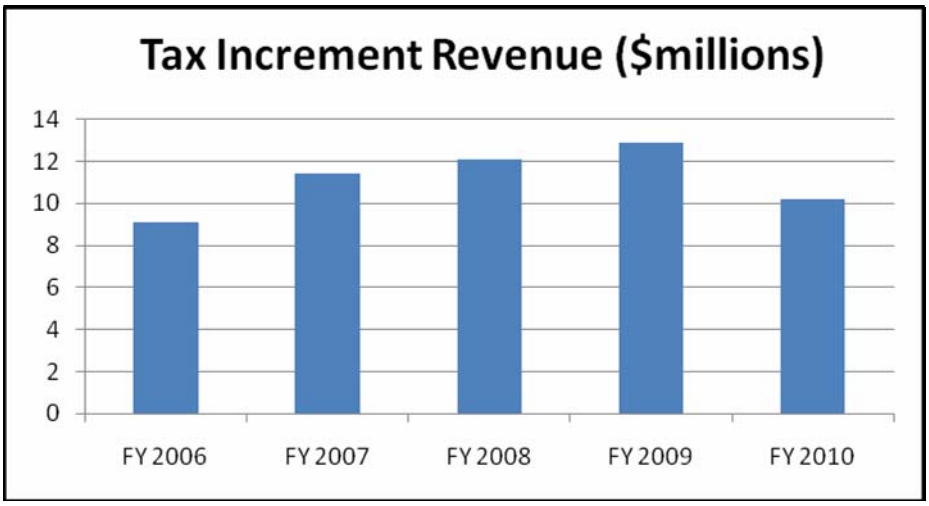
California Redevelopment Law requires the Redevelopment Agency to present an Annual Report to the City Council, and that the City Council reviews the report and takes any action deemed appropriate. The report is then filed with the State Controller. The report contains four major components: 1) the Agency's Independent Financial Audit for FY 2010; 2) the Annual Report of Financial Transactions, which takes information from the audit and presents it in a format suitable for review by the State Controller; 3) the California Department of Housing and Community Development (HCD) Annual Redevelopment Agencies Housing Activity Report; and 4) the Agency's Annual Statement of Indebtedness.

The Agency's independent financial audit is attached to the Annual Report as Appendix A. The audit reported no exceptions or findings this year. The State Controller's Report of Financial Transactions (Appendix B) includes a narrative discussion of the Agency's activities, entitled "The Project Area Report."

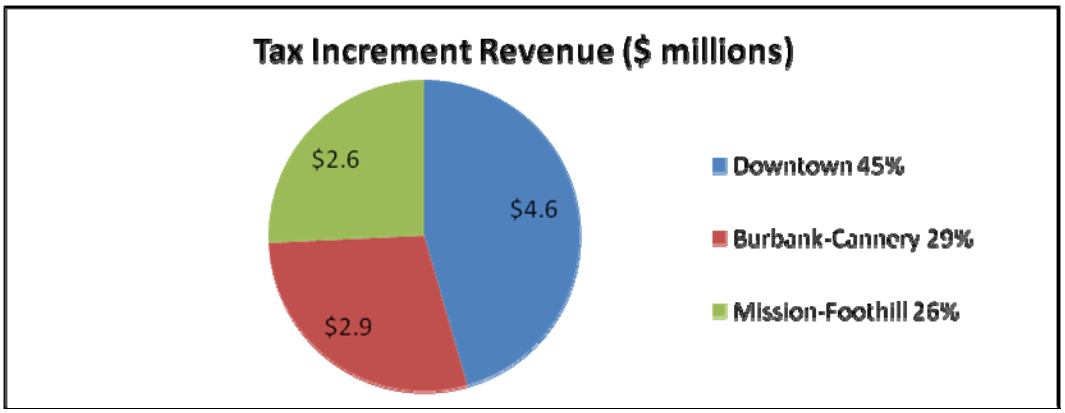
DISCUSSION

Tax Increment Revenue: The Agency's total revenue receipts in FY 2010 were approximately $11.3 million. The largest component of Agency revenues are from property tax increment receipts. The Agency's total tax increment revenue was approximately $10.2 million for FY 2010 compared to $12.6 million for FY 2009, which reflects a decline in tax increment of approximately 20%. In

contrast, the Agency's tax increment grew at a rate of 4% and 6% in FY 2009 and 2008 respectively, and grew at the rate of 26% during FY 2007 when the economy was much stronger. Prior to FY 2010, the last year in which the Agency's tax increment revenue declined was in FY 1998, when the revenues declined from $2.4 million to $2.2 million, or by approximately 9%. At that time, it took approximately three years for the Agency to recover the lost revenue; however, due to the depth of the current recession, it is likely to require several more years for the Agency's tax increment revenues to recover.



Approximately 45% of the tax increment is generated in the Downtown sub-area, 29% in the Burbank-Cannery sub-area, and 26% in the Mission-Foothill sub-area. While all sub-areas posted revenue declines, the relative declines were steepest in the Mission-Foothill Sub-Area, which generated approximately 30% of the total tax increment in FY 2009. This is most likely as a result of the closure of several major auto dealerships and related properties on Mission Boulevard. The Burbank-Cannery area held relatively steady in terms of its percentage share of total Project Area tax increment revenues, and the Downtown gained in relative strength, with a percentage share increase from 42% in FY 2009 to 45%. Over time, staff expects that the Mission-Foothill corridor will regain strength and surpass both the other sub-areas, due to its size, commercial orientation and redevelopment opportunities.

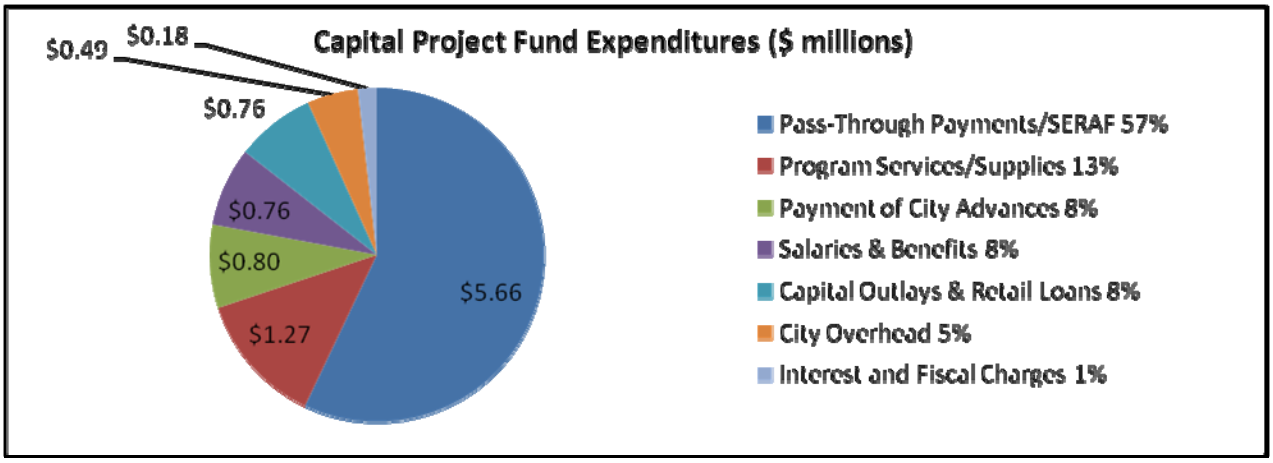


Other Revenue: Approximately $1.1 million in additional revenues were generated for the Agency in FY 2010. The majority of revenues are repayments for the Agency's cost to build the new Burbank School and Cannery Park under an agreement with the Hayward Area Recreation District (HARD) and Hayward Unified School District (HUSD). The payments are from school impact fees ($330,000) and park fees ($79,000 net) paid by the developers at Cannery Place, as well as a partial withholding of Agency pass through payments to HUSD ($154,000), which is counted as revenue. In addition, the Agency received approximately $116,000 for ground rent and shared parking garage maintenance costs at Cinema Place. Finally, the Agency received $52,000 for first time homebuyer loan repayments, and $52,000 for retail attraction loan repayments.

Expenditures: The Agency expends funds from four operating funds: the Capital Projects Fund, the Tax Allocation Bond Fund, the Low and Moderate Income Housing Fund, and Agency Indebtedness Fund. In FY 2010, expenditures from each fund were as follows:

Capital Projects Fund: The Agency's expenditures from the Capital Projects/Administrative Fund totaled $9.9 million for FY 2010. Major expenditures from this fund included:

- $5.7 million (57%) for annual pass-through payments to other taxing entities, including an extraordinary Supplemental Educational Revenue Augmentation Fund (SERAF) payment of $4.4 million to the State;
- $1.3 million (13%) for program-related services and expenditures, including $559,000 for Mission Boulevard and other planning studies, $358,000 for South Hayward BART development, Foothill Boulevard façade designs and other projects, $137,000 for Agency property management, including the Cinema Place parking garage, and the remainder for Agency administrative costs;
- $800,000 (8%) toward repayment of advances from the City General Fund for previous projects such as the City Hall Parking Structure, and B & Foothill property;
- $758,000 (8%) for employee salaries and benefits, including $235,000 in charges from other programs, including economic development staff;
- $756,000 (8%) combined for Retail Attraction Loans ($361,000) and Capital outlays, including Cinema Place mural installation and environmental remediation, completion of downtown lighting upgrades;
- $489,000 (5%)for City administrative charges, including overhead; and
- $181,000 (2%) for interest and fiscal charges.



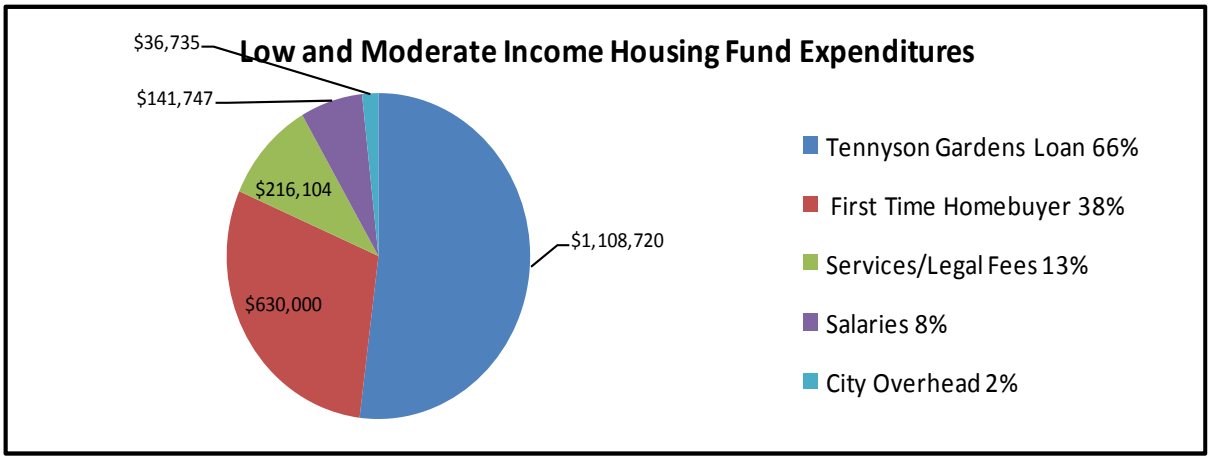
As of the end of FY 2010, the fund balance in the Capital Projects/Administrative Fund was approximately $5.8 million. Of this amount, $3.7 million is actually the value of Agency land held for resale, resulting in an undesignated fund balance of approximately $2.1 million at the end of FY 2010. The fund balance has declined by $5.1 million from FY 2009.

The Agency Board previously committed to provide local agency matching funds of up to $12.7 million for public improvements for the South Hayward BART transit- oriented development proposed by Wittek and Montana. Thus far, the Agency has transferred $1.3 million to the City's Capital Improvement Program (CIP) for this project. Because it is likely to require several years for the Agency to accrue the remaining funds identified as necessary, and because traditional tax allocation bond financing capacity has been severely curtailed due to the revenue reductions discussed above, staff is currently exploring other funding sources for this project.

Tax Allocation Bond Funds: Expenditures from the Tax Allocation Bonds (TABS) Capital Projects Fund totaled $976,000 in FY 2010. Approximately one-half of these funds were spent to complete Downtown Electrical Service Upgrades on B Street, and the remainder was spent to close out project construction contracts related to the Burbank School/Cannery Park facilities. The Agency's balance sheet shows a fund balance of $5.7 million in TABS; however, this fund balance includes a $5.8 million value assigned to the Residual Burbank School site. As a result, the "unreserved" fund balance is in the negative by approximately $94,000, and this amount will need to be transferred from other funds. The Agency is currently in negotiations with a developer for disposition of the Residual School site; if the site is sold, the proceeds will be transferred to the Agency's Capital Projects Fund for use in other projects.

Low and Moderate Income Housing Fund: As required by law, the Low and Moderate Income Housing (Low/Mod) Fund receives 20% of the Agency's gross tax increment revenue, which was approximately $2 million in FY 2010. The fund received additional revenues of $244,000, which include principal and interest payments on First Time Homebuyer loans, for total fund revenues of approximately $2.3 million. Approximately $2.1 million was spent during the year for housing program activities, and the difference was added to the fund balance. The Low/Mod Fund balance was approximately $11.5 million at the end of FY 2010.

Appendix B includes information regarding the Agency's activities in support of affordable housing and Appendix C (Agency's Activities Affecting Housing and Displacement) contains further reporting. By law, the Agency's Low/Mod Fund can only be used to preserve and expand the



supply of affordable housing, but can be spent anywhere within the City of Hayward.

The largest obligation of Low/Mod Funds in FY 2010 was a loan of $3.4 million to the Agency Capital Fund in order to pay a portion of the State SERAF obligation. Also, in FY 2010, the Agency transferred a total of $3.3 million in Low/Mod funds to the City's CIP for the Route 238 Corridor Tenant Settlement, and for future affordable housing at the South Hayward BART Transit-oriented development. The Agency is funding $1 million towards the Route 238 Corridor "Opportunity to Purchase a Home" program. This program will operate in a manner similar to the First Time Homebuyer Program, and is expected to commence in early 2011. The Redevelopment Agency also expended $1.7 million for affordable housing loans. This total includes loan draws amounting to approximately $1.1 million on a $1.5 million loan to Eden Housing, Inc. to purchase and rehabilitate the 96-unit Tennyson Gardens development**.** In addition, twenty loans, amounting to a total of $630,000 were made under the First-Time Homebuyer program.

As a result of the expenditures outlined above, the Agency has eliminated a $1.1 million "excess surplus" of Low/Mod funds that was identified in FY 2009. The excess surplus calculation is determined by formula under Redevelopment Law, and is shown in Appendix C, the State HCD Housing Activity Report. The Agency must expend or encumber excess surplus funds within a three year time period, or the Agency may be sanctioned from spending from its Capital and Administrative Project Fund.

Other affordable housing activities are discussed in the narrative "Project Area Report," which staff submits as part of the State Controller's Report in Appendix B.

Agency Indebtedness: Appendix D contains the Statement of Indebtedness, which the Agency must file each year with Alameda County, and which provides the legal basis for the Agency to receive its tax increment revenue. The net amount shown as outstanding indebtedness is $125.3 million. This amount includes $85.8 million for TABS (total principal and interest to maturity), loans and advances of $11 million that the City has made to the Agency, an estimated $25.9 million for the Agency's required set-aside for the Low/Mod Housing Fund for the duration of the Project, and $3.4 million owed to the Low/Mod Housing Fund for its portion of the FY 2010 SERAF payment.

ECONOMIC IMPACT

No significant economic impact directly results from the approval of the Annual Report; however, the submission of the Annual Report is necessary to support the operation of the Redevelopment Agency and to receive property tax increment. The Agency's funds and operations are used to eliminate blight, revitalize the Redevelopment Project Area, and to create and preserve affordable housing, with the objective of enhancing the quality of life for Hayward residents.

FISCAL IMPACT

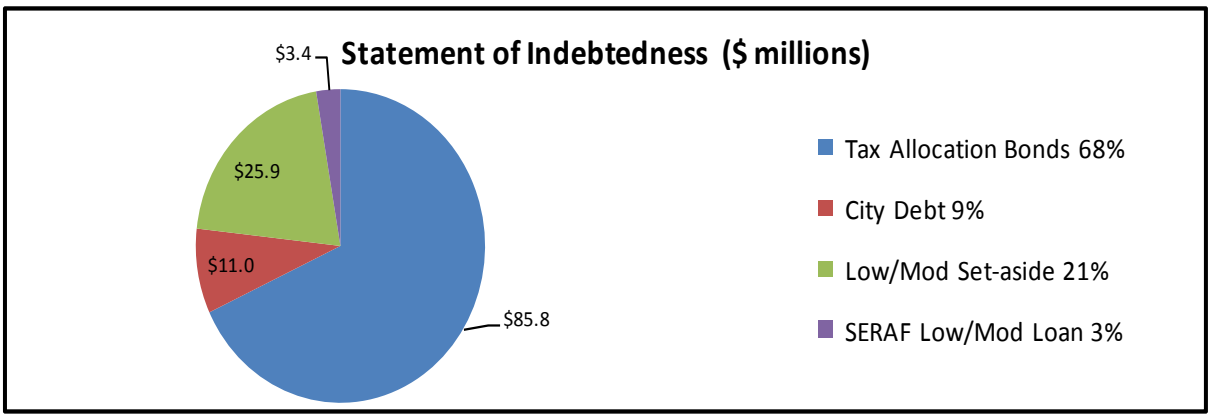
In the event that the Agency Board does not approve the Annual Report to the State, the Agency could be subject to a forfeiture of up to $10,000 in tax increment.

PUBLIC CONTACT

The City Council/Agency Board last discussed the Agency's finances as part of the FY 2011 budget adoption in June of this year, and made adjustments to the FY 2010 budget in February 2010. The Agency Board is also scheduled to hold a joint work session with the Hayward Redevelopment Advisory Committee regarding redevelopment priorities as part of the December 14, 2010 City Council meeting.

NEXT STEPS

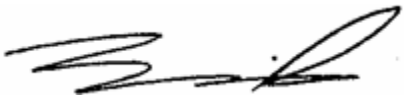
Staff will file the FY 2010 Annual Report with the State Controller's Office prior to December 31, as required by California Health and Safety Code, in order to avoid monetary penalties for late filing. Should the Agency Board make any changes to the Annual Report before approving, staff will make the necessary changes to the documents.



Prepared by: Maret Bartlett, Redevelopment Director

Recommended by: Kelly Morariu, Assistant City Manager

Approved by:



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Fran David, City Manager/Executive Director

Attachments:

Attachment I – Agency Resolution Adopting FY 2010 Annual Report
Attachment II – Council Resolution Acknowledging Receipt of FY 2010 Annual Report
Attachment III – Agency Annual Report for FY 2010

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

RESOLUTION NO. RA-_____

Introduced by Agency Member_____

RESOLUTION ADOPTING THE ANNUAL REPORT OF REDEVELOPMENT AGENCY ACTIVITIES FOR FISCAL YEAR 2010

BE IT RESOLVED by the Redevelopment Agency of the City of Hayward that it does hereby adopt the "Annual Report of Redevelopment Agency Activities for FY 2010" and directs that the report be filed with the Office of the State Controller.

BE IT FURTHER RESOLVED that the Redevelopment Agency of the City of Hayward hereby forwards a copy of the Annual Report to the City Council of the City of Hayward for its review and appropriate action.

HAYWARD, CALIFORNIA_____

ADOPTED BY THE FOLLOWING VOTE:

AYES: AGENCY MEMBERS:

NOES: AGENCY MEMBERS:

ABSTAIN: AGENCY MEMBERS:

ABSENT: AGENCY MEMBERS:

ATTEST:
Secretary of the Redevelopment Agency
of the City of Hayward

APPROVED AS TO FORM:

_____
General Counsel

HAYWARD CITY COUNCIL

RESOLUTION NO. _

Introduced by Council Member_____

RESOLUTION ACKNOWLEDGING RECEIPT OF THE ANNUAL REPORT OF REDEVELOPMENT AGENCY ACTIVITIES FOR FISCAL YEAR 2010

BE IT RESOLVED that the City Council of the City of Hayward hereby acknowledges receipt of the "Annual Report of Redevelopment Agency Activities for FY 2010" and directs that the report be filed with the Office of the State Controller.

IN COUNCIL, HAYWARD, CALIFORNIA _____

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST:
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

ATTACHMENT III

ANNUAL REPORT

OF

REDEVELOPMENT AGENCY ACTIVITIES

FOR

FY 2010

Redevelopment Agency of the City of Hayward
December 2010

Contents

A. Independent Financial Audit

See Appendix A, Redevelopment Agency of the City of Hayward Component Unit Financial Statements for the Year Ended June 30, 2010, Independent Auditors' Report and Independent Auditors' Compliance Report.

B. Annual Report of Financial Transactions for FY 2010

See Appendix B, Annual Report of Financial Transactions of Community Redevelopment Agencies, Project Area Report, Report Regarding Progress in Alleviating Blight, Status of Loans, and Status of Agency-owned Property.

C. Description of Agency's Activities Affecting Housing and Displacement

See Appendix C, Annual Report of Housing Activity of Community Redevelopment Agencies.

D. Statement of Indebtedness

See Appendix D, Statement of Indebtedness for the 2010 Tax Year

APPENDIX A

INDEPENDENT FINANCIAL AUDIT FOR FY 2010

Redevelopment Agency of the City of Hayward
December 2010

REDEVELOPMENT AGENCY
OF THE CITY OF HAYWARD

COMPONENT UNIT FINANCIAL STATEMENTS

For the Year Ended June 30, 2010

(With Independent Auditors' Report Thereon)

REDEVELOPMENT AGENCY
OF THE CITY OF HAYWARD

COMPONENT UNIT FINANCIAL STATEMENTS

For the Year Ended June 30, 2010

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Board of Directors
Redevelopment Agency of the
City of Hayward, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities and each major fund of the Redevelopment Agency of the City of Hayward (Agency), a component unit of the City of Hayward, California, as of and for the year ended June 30, 2010, which collectively comprise the Agency's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the management of the Redevelopment Agency of the City of Hayward. Our responsibility is to express opinions on these financial statements based on our audit. The prior year partial comparative information has been derived from the financial statements of the Redevelopment Agency of the City of Hayward for the year ended June 30, 2009 and, in our report dated November 30, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Redevelopment Agency of the City of Hayward, California, as of June 30, 2010, and the respective changes in financial position of the Agency for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Redevelopment Agency of the City of Hayward has not presented *Management's Discussion and Analysis* that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the Agency's basic financial statements. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relations to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 3, 2010 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Irvine, California
December 3, 2010

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

STATEMENT OF NET ASSETS AND STATEMENT OF ACTIVITIES

The Statement of Net Assets and the Statement of Activities summarize the entire Agency's financial activities and financial position. They are prepared using the same basis of accounting as is used by most businesses, which means they include all the Agency's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis, the effect of all the Agency's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between Agency funds have been eliminated.

The Statement of Net Assets reports the difference between the Agency's total assets and the Agency's total liabilities, including all the Agency's capital assets and all its long-term debt. The Statement of Net Assets presents similar information to the old balance sheet format, but presents it in a way that focuses the reader on the composition of the Agency's net assets, by subtracting total liabilities from total assets.

The Statement of Net Assets summarizes the financial position of all of the Agency's Governmental Activities in a single column.

The Statement of Activities reports increases and decreases in the Agency's net assets. It is also prepared on the full accrual basis, which means it includes all the Agency's revenues and all its expenses, regardless of when cash changes hands. This differs from the 'modified accrual' basis used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the Statement of Activities presents the Agency's expenses that are listed by program first. Program revenue, that is, revenues which are generated directly by these programs are then deducted from program expenses to arrive at the net expense of each program. The Agency's general revenues are then listed and the change in net assets is computed and reconciled with the Statement of Net Assets.

These Agency-wide financial statements along with the fund financial statements (beginning on page 8) and footnotes (beginning on page 33) are called *Component Unit Financial Statements.*

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

STATEMENT OF NET ASSETS

June 30, 2010

(With comparative information for the prior year)

	Governmental Activities	
	2010	2009
Assets:		
Cash and investments (note 2)	$ 15,496,928	22,561,517
Cash and investments with fiscal agent (note 2)	4,009,382	4,011,163
Accounts receivable	330,419	275,624
Interest receivable	42,952	96,559
Loans receivable (note 4c)	41,260,914	39,217,645
Land held for redevelopment (note 4a)	10,272,570	10,272,570
Capital assets not depreciated (note 5)	5,277,955	5,277,955
Capital assets being depreciated, net (note 5)	14,324,644	14,544,419
Total assets	91,015,764	96,257,452
Liabilities:		
Accounts payable	536,663	857,704
Accrued liabilities	1,626,068	1,698,134
Interest payable	844,077	866,257
Refundable deposits	919,833	619,833
Long-term debt (note 6):		
Due within one year	2,200,000	3,040,000
Due in more than one year	60,387,522	61,501,985
Total liabilities	66,514,163	68,583,913
Net assets:		
Restricted for:		
Low and moderate income housing	17,480,377	16,742,363
Unrestricted	7,021,224	10,931,176
Total net assets	$ 24,501,601	27,673,539

See accompanying notes to financial statements

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2010

(With comparative information for the prior year)

		Program Revenues				
					Net (Expense) Revenues and Changes in Net Assets	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	2010	2009
Governmental activities:						
Redevelopment	$ 5,703,000	50,385	-	236,244	(5,416,371)	(10,541,257)
Interest on long-term debt	2,764,221	-	-	-	(2,764,221)	(3,084,052)
Total governmental activities	$ 8,467,221	50,385	-	236,244	(8,180,592)	(13,625,309)
General revenues:						
Tax increment					4,520,035	10,657,184
Investment income					316,598	939,711
Other revenues					172,021	72,144
Total general revenues					5,008,654	11,669,039
Change in net assets					(3,171,938)	(1,956,270)
Net assets at beginning of year					27,673,539	29,629,809
Net assets at end of year					$ 24,501,601	27,673,539

See accompanying notes to financial statements

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REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

FUND FINANCIAL STATEMENTS

The format of the Fund Financial Statements present only individual major funds, while non-major funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year. No distinction is made between types of funds and the practice of combining like funds and presenting their totals in separate columns (Combined Financial Statements) has been discontinued, along with the use of the General Fixed Assets and General Long-term Debt Account Groups.

All of the Agency funds were determined to be Major Governmental Funds in fiscal year 2010. They are described below:

The **GENERAL CAPITAL PROJECTS FUND** accounts for all resources used in the acquisition and construction of major capital facilities and other fixed assets under the Redevelopment Plan other than projects charged against the Tax Allocation Bonds Capital Projects Fund. Property tax increment revenues are accumulated in this Fund, less the 20% reported in the Low-Moderate Income Fund.

The **TABS CAPITAL PROJECTS FUND** accounts for project costs financed by proceeds from the 2004 and 2006 Tax Allocation Bonds.

The **LOW-MODERATE INCOME HOUSING CAPITAL PROJECTS FUND** accounts for the receipt of the mandated 20% set-aside of tax increment revenue from the Redevelopment Project Area to be used for low to moderate income housing projects and programs.

The **DEBT SERVICE FUND** accounts for the accumulation of resources for payment of principal, interest, and related costs of the Agency's long-term debt.

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

GOVERNMENTAL FUNDS

Balance Sheet

June 30, 2010

(With comparative information for the prior year)

	General Capital Projects	TABs Capital Projects	Low and Moderate Income Housing	Debt Service Fund	Totals 2010	Totals 2009
Assets:						
Cash and investments	$ 6,634,947	866,733	7,995,248	-	15,496,928	22,561,517
Cash and investments with fiscal agent	-	-	-	4,009,382	4,009,382	4,011,163
Accounts receivable	330,419	-	-	-	330,419	275,624
Interest receivable	20,104	1,033	21,815	-	42,952	96,559
Advances to other funds (note 3)	-	-	3,421,374	-	3,421,374	-
Loans receivable (note 4)	35,273,293	-	5,987,621	-	41,260,914	39,217,645
Land held for redevelopment (note 4)	3,695,031	5,870,000	707,539	-	10,272,570	10,272,570
Total assets	$ 45,953,794	6,737,766	18,133,597	4,009,382	74,834,539	76,435,078
Liabilities:						
Accounts payable	$ 162,433	25,369	348,861	-	536,663	857,704
Accrued liabilities	1,227,095	394,614	4,359	-	1,626,068	1,698,134
Deferred revenue (note 4)	35,273,293	-	5,987,621	-	41,260,914	39,217,645
Advances from other funds (note 3)	3,421,374	-	-	-	3,421,374	-
Refundable deposits	78,000	541,833	300,000	-	919,833	619,833
Total liabilities	40,162,195	961,816	6,640,841	-	47,764,852	42,393,316
Fund balance:						
Reserved for:						
Capital outlay	-	-	-	-	-	881,815
Land held for redevelopment	3,695,031	5,870,000	707,539	-	10,272,570	10,272,570
Low and moderate income housing	-	-	10,785,217	-	10,785,217	11,652,433
Debt service	-	-	-	4,009,382	4,009,382	4,011,163
Unreserved, undesignated	2,096,568	(94,050)	-	-	2,002,518	7,223,781
Total fund balances	5,791,599	5,775,950	11,492,756	4,009,382	27,069,687	34,041,762
Total liabilities and fund balances	$ 45,953,794	6,737,766	18,133,597	4,009,382	74,834,539	76,435,078

See accompanying notes to financial statements

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets

June 30, 2010

Total fund balances reported on the governmental funds balance sheet	$ 27,069,687
Amounts reported for governmental activities in the Statement of Net Assets are different from those reported in the Governmental Funds above because of the following:	
CAPITAL ASSETS	
Capital assets used in governmental activities are not current assets or financial resources and therefore are not reported in the Governmental Funds	19,602,599
ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES	
Revenues which are deferred on the fund balance sheets because they are not available currently are taken into revenue in the Statement of Activities	
Deferred revenue	41,260,914
Interest payable	(844,077)
LONG-TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the funds:	
Long-term debt	(62,587,522)
NET ASSETS OF GOVERNMENTAL ACTIVITIES	$ 24,501,601

See accompanying notes to financial statements

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2010
(With comparative information for the prior year)

	General Capital Projects	TABs Capital Projects	Low and Moderate Income Housing	Debt Service Fund	Totals 2010	Totals 2009
Revenues:						
Incremental property taxes	8,144,522	-	2,036,131	-	10,180,653	12,630,213
Use of money and property	133,198	-	233,400	629	367,227	1,138,815
Charges for services	-	385	-	-	385	23
School District reimbursement	484,205	-	-	-	484,205	381,868
Park developer fees	79,484	-	-	-	79,484	166,223
Other	117,158	-	54,863	-	172,021	72,144
Total revenues	8,958,567	385	2,324,394	629	11,283,975	14,389,286
Expenditures:						
Current						
Redevelopment:						
Salaries and benefits	757,855	-	141,747	-	899,602	658,271
Services and supplies	1,275,280	-	216,104	-	1,491,384	671,456
Administrative charges from the City of Hayward	488,982	-	36,735	-	525,717	696,895
First-time home buyers program	361,005	-	1,738,720	-	2,099,725	750,940
Pass-through payments (note 7)	5,660,618	-	-	-	5,660,618	1,973,029
Capital outlay	378,071	976,250	17,054	-	1,371,375	4,648,571
Debt service:						
Payment of advances to City	800,000	-	-	-	800,000	1,680,000
Principal	-	-	-	1,335,000	1,335,000	1,270,000
Interest and fiscal charges	180,537	-	-	2,605,864	2,786,401	3,105,219
Total expenditures	9,902,348	976,250	2,150,360	3,940,864	16,969,822	15,454,381
Excess (deficiency) of revenues over expenditures	(943,781)	(975,865)	174,034	(3,940,235)	(5,685,847)	(1,065,095)
Other financing sources (uses)						
Proceeds of advances	180,537	-	-	-	180,537	255,072
Transfers to the City	(425,515)	-	(1,041,250)	-	(1,466,765)	(1,171,265)
Transfers in (note 3)	-	-	3,300,000	3,938,454	7,238,454	7,281,681
Transfers out (note 3)	(3,938,454)	-	(3,300,000)	-	(7,238,454)	(7,281,681)
Total other financing sources (uses)	(4,183,432)	-	(1,041,250)	3,938,454	(1,286,228)	(916,193)
Net change in fund balances	(5,127,213)	(975,865)	(867,216)	(1,781)	(6,972,075)	(1,981,288)
Fund balances at beginning of year	10,918,812	6,751,815	12,359,972	4,011,163	34,041,762	36,023,050
Fund balances at end of year	$ 5,791,599	5,775,950	11,492,756	4,009,382	27,069,687	34,041,762

See accompanying notes to financial statements

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement Activities

For the Year Ended June 30, 2010

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ (6,972,075)
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSET TRANSACTIONS	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	
Depreciation expense is deducted from the fund balance	(219,775)
LONG TERM DEBT PROCEEDS AND PAYMENTS	
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Assets the repayment reduces long-term liabilities.	
Repayment of debt principal is added back to fund balance	1,335,000
Repayment of advances from the City of Hayward	800,000
Proceeds of advances from the City of Hayward	(180,537)
ACCRUAL OF NON-CURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide or (require) the current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):	
Deferred revenue	2,043,269
Interest payable	22,180
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	$ (3,171,938)

See accompanying notes to financial statements

(1) Summary of Significant Accounting Policies

A. Description of the Redevelopment Agency and Redevelopment Plan

The Redevelopment Agency of the City of Hayward (the Agency) was created in December 1969 under the provisions of the Community Redevelopment Law (California Health and Safety Code), for clearance and rehabilitation of areas determined to be in a declining condition in the City of Hayward (City). A Redevelopment Plan was adopted in December 1975 and amended in April 1994 to provide an improved physical, social, and economic environment in the Project Area. In November 1998, a redevelopment amendment added approximately 370 acres to the existing Project Area for the primary purpose of undertaking neighborhood preservation activities in the residential areas and facilitate reuse or redevelopment of certain industrial and commercial sites over time. In fiscal year 2002, the Agency amended its plan to increase the project area by an additional 738 acres near the Mission and Foothill Boulevard corridors extending north and south of the existing project area. As a result the total acreage of the Redevelopment Project Area is 1,348 acres.

The Agency is authorized to finance the Redevelopment Plan from various sources, including assistance from the City, the State and federal government, property tax increments, interest income, and the issuance of Agency notes and bonds.

The accompanying financial statements are included as a component of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Basis of Presentation

The Agency's Component Unit Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

Agency-wide Statements: The Statement of Net Assets and the Statement of Activities include the financial activities of the overall Agency government. Eliminations have been made to minimize the double counting of internal activities.

(1) Summary of Significant Accounting Policies, (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Agency. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is on major individual funds, each of which is displayed in a separate column.

C. Major Funds

The Agency reported all of its governmental funds in the accompanying financial statements as major funds:

The General Capital Projects Fund accounts for all resources used in the acquisition and construction of major capital facilities and other fixed assets under the Redevelopment Plan, other than projects charged against the Tax Allocation Bonds Capital Projects Fund.

The TABS Capital Projects Fund accounts for project costs financed by proceeds from the 2004 and 2006 Tax Allocation Bonds.

The Low-Moderate Income Housing Capital Projects Fund accounts for the receipt of the mandated 20% set-aside of tax increment revenue from the Redevelopment Project Area to be used for low to moderate income housing projects and programs.

The Debt Service Fund accounts the accumulation of resources for and the payment of principal, interest, and related costs of the Agency's long-term debt.

D. Basis of Accounting

The Agency-wide financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred,* regardless of when the related cash flows take place.

(1) Summary of Significant Accounting Policies, (Continued)

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable and available.* The Agency considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources.*

Non-exchange transactions, in which the Agency gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Other revenues susceptible to accrual include interest and charges for services.

Under the terms of grant agreements, the Agency may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and unrestricted redevelopment revenues. Thus, both restricted and unrestricted net assets are available to finance program expenditures. The Agency's policy is to first apply restricted grant resources to such programs, followed by unrestricted redevelopment revenues if necessary.

E. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed fixed assets are valued at their estimated fair market value on the date contributed. The Agency's policy is to capitalize all assets with costs exceeding $5,000 and with useful lives exceeding two years.

The Agency is required to record all its public domain (infrastructure) capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems. Infrastructure assets are transferred to the City upon completion as the City will maintain them. These types of infrastructure assets are included in the City's financial statements, but not the Agency's financial statements because the City is responsible for ongoing maintenance of the infrastructure.

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

(1) Summary of Significant Accounting Policies, (Continued)

Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Agency has assigned the useful lives listed below to capital assets.

Buildings	10-50 years
Improvements	10-50 years
Equipment	7-50 years

F. Deferred Revenue

Deferred revenue is recorded in the fund financial statements to offset long-term loans receivable because the funds are not available to pay for current obligations. Deferred revenue is eliminated in the government wide financial statements to present the full accrual basis of accounting.

G. Net Assets

Net Assets are measured on the full accrual basis, which is different from Fund Balance, which is measured on the modified accrual basis.

Net Assets is the excess of all the Agency's assets over all its liabilities, regardless of fund. Net Assets are divided into two captions. These captions apply only to Net Assets, which is determined only at the Agency-wide level, and are described below:

Restricted describes the portion of Net Assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Agency cannot unilaterally alter. These principally include resources received for debt service requirements; redevelopment funds restricted to low and moderate income purposes.

Unrestricted describes the portion of Net Assets which is not restricted as to use.

H. Fund Balance Reserves and Designations

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities. Portions of a fund's balance may be reserved or designated for future expenditure.

(1) Summary of Significant Accounting Policies, (Continued)

Reserves are restrictions placed by outside entities, such as other governments, which restrict the expenditures of the reserved funds to the purpose intended by the entity which provided the funds.

Designations are imposed by the Agency to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended, or removed by the Agency.

I. Budgets and Budgetary Accounting

The Agency adopts an annual operating and capital budget, effective July 1, for the ensuing fiscal year for the Capital Projects Funds and Debt Service Fund.

The Agency Executive Director may transfer appropriations from one program, activity, or object to another within the same fund. However, transfers of appropriations which increase total fund appropriations must be approved by the Agency Board. Expenditures which exceed appropriations at the fund level must be approved by the Agency Board. All unexpended appropriations lapse at the end of the fiscal year.

Budget versus actual comparisons for capital projects and debt service funds are excluded from these financial statements as generally accepted accounting principles do not require such presentations.

J. Property Tax Increment

All property taxes are levied and collected by the County Auditor of the County of Alameda and paid to the various taxing entities including the Agency. Secured taxes are due on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured taxes are due on July 1 and become delinquent on August 31. The lien date for secured and unsecured properly taxes is January 1 of the preceding fiscal year. Property tax increment revenues include only property taxes resulting from increased assessed values and are recognized in the fiscal year for which the taxes have been levied, provided they become available and measurable within the current period or soon enough thereafter to be used to pay liabilities of the current period.

K. Prior Year Comparative Information

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Agency's prior year financial statements, from which this

selected data was derived. Certain minor reclassifications of prior year data may have been made in order to enhance their comparability with current year figures.

(2) Cash and Investments

The Agency pools cash from all sources and all funds except cash with fiscal agent so that it can be invested at the maximum yield, consistent with the principles of safety and liquidity. Individual funds can make expenditures at any time. The Agency's dependence on property tax receipts, which are received semi-annually, requires it to maintain significant cash reserves to finance operations during the remainder of the year.

This note will disclose the Agency's policies related to cash and investments including limitations to the investments allowable, amounts held at year end, information related to interest rate risk, credit risk and custodial credit risk.

Policies - The Agency invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable pieces of paper called *securities instruments,* or by an electronic entry registering the owner in the records of the institution issuing the security (issuer), called the *book entry* system. In order to maximize security, the Agency employs the Trust Department of a bank as the custodian of all Agency managed investments, regardless of their form.

The Agency's investments are carried at fair value, as required by generally accepted accounting principles. The Agency adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year. In the Agency's case, fair value equals fair market value, since all of the Agency's investments are readily marketable.

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Agency's cash on deposit or first trust deed mortgage notes with a value of 150% of the City's cash on deposit as collateral for these deposits. Under California Law this collateral is held in an investment pool by an independent financial institution in the City's name and places the Agency ahead of general creditors of the institution pledging the collateral.

The City maintains a cash management pool that is available for use by all funds. Each fund type's portion of the pool is shown on the combined balance sheet as "Cash and investments."

Classification — As of June 30, 2010 cash and investments are classified in the financial statements as shown below:

Cash and investments	$15,496,928
Cash and investments with fiscal agent	4,009,382
Total cash and investments	$19,506,310

(2) Cash and Investments, (Continued)

Cash and investments as of June 30, 2010 consist of the following:

City of Hayward pooled investments	$15,496,928
Investments	4,009,382
Total cash and investments	$19,506,310

Investments Authorized by the California Government Code and the City's Investment Policy - The Agency's cash and investments are pooled with the City's cash and investments. The City's Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings of the issuers are acceptable to the City; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code or the City's Investment Policy where it is more restrictive:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum % of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	4 years	N/A	None	None
U.S. Government Agency Obligations	4 years	N/A	None	None
U.S. Government Sponsored Obligations	4 years	N/A	50%	20%
Bankers Acceptances	180 days	A-1	40%	30%
Certificates of Deposit	4 years	A- 1 to A	25%	20%
Commercial Paper	270 days	A-1	15%	10%
Medium Term Corporate Notes	4 years	A to AA	30%	20%
Asset-Backed Corporate Notes	4 years	A	20%	10%
Repurchase Agreements	1 year	N/A	20%	20%
Reverse Repurchase Agreements	92 days	A-1 to A	20%	20%
Negotiable Certificates of Deposit	4 years	A to AA	30%	20%
Money Market Funds	2 years	AAA	20%	10%
County Agency Investment Fund	N/A	N/A	15%	10%
California Local Agency Investment Fund	N/A	N/A	None	None

Investments Authorized by Debt Agreements - The Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the Agency fails to meet its obligations under these debt issues. The table below identifies the investment types that are authorized for investments held by fiscal agents. The bond indentures contain no limitations for the maximum investment in any one issuer (financial institution) or the maximum percentage

of the portfolio that may be invested in any one investment type. The table also identifies certain provisions of these debt agreements:

(2) **Cash and Investments, (Continued)**

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
U.S. Treasury Obligations	No limit	No limit
U.S. Government Agency Obligations	No limit	No limit
U.S. Government Sponsored Obligations	No limit	None to AAA
Money Market Mutual Funds	No limit	AAm to AAAm-G
Collateralized Certificates of Deposits	None to 1 year	None to A-1+
FDIC Insured Deposits	No limit	No limit
Investment Agreements	No limit	None to Two Highest Categories
Commercial Paper	None to 270 days	A-1 to A-1+
State General Obligations	No limit	A/A2 to Two Highest Categories
Municipal Obligations	No limit	AAA to Two Highest Categories
Federal Funds or Bankers Acceptances	180 days to 1 year	A-1 to A-1+
Repurchase Agreements	None to 30 days	None to A
Pre-refunded Municipal Bonds	No limit	AAA
California Local Agency Investment Fund	No limit	No limit

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Agency generally manages its interest rate risk by holding investments to maturity.

Information about the sensitivity of the fair values of the Agency's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the Agency's investments by maturity date:

	Market Value	Maturity Date
Investments:		
Money market mutual funds	$4,009,382	none
Total investments	$4,009,382	

Money market funds are available for withdrawal on demand and at June 30, 2010, matured in an average of 5 days. The Agency participates in the City of Hayward Cash

and Investments pool, detail of which is presented in the City's Comprehensive Annual Financial Report.

(2) Cash and Investments, (Continued)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The actual ratings as of June 30, 2010 for money market mutual funds are AAA as provided by Standard and Poor's investment rating system.

(3) Interfund Transactions

A. Long-Term Interfund Advances

In fiscal year 2010, the Agency's Low and Moderate Income Housing Fund loaned $3,421,374 to the Agency's General Capital Projects Fund for the sole purpose of making the Supplemental Educational Relief Augmentation Fund (SERAF) payment to the State of California for fiscal year 2010. The loan shall bear no interest and shall be repaid to the Low and Moderate Income Housing Fund on or before June 30, 2015.

B. Interfund Transfers

With Council approval, resources may be transferred from one fund to another. Transfers between funds during the fiscal year ended June 30, 2010 were as follows:

Transfer In	Transfer Out	Amount
Debt Service Fund	General Capital Projects Fund	$3,938,454 (a)
General Capital Projects Fund	Low and Moderate Income Housing	3,300,000 (b)
		$7,238,454

(a) To fund debt service
(b) To fund capital projects

(4) Redevelopment Activities

A. Land Held for Redevelopment

Land held for redevelopment of $10,272,570 at June 30, 2010, is stated at the lowest of historical cost, net realizable value, or agreed-upon sales price if a disposition agreement has been made with a developer performing projects in accordance with the Redevelopment Plan.

(4) Redevelopment Activities, (Continued)

B. Elementary School and Public Improvements (Cannery/Burbank Project)

Pursuant to an agreement between the Agency, the City, the Hayward Area Park and Recreation District (HARD), and the Hayward Unified School District, the City agreed to construct and the Agency agreed to pay for the design and construction of a new elementary school to be located on a site composed of parcels owned by or acquired by the Agency. The project was completed during the year ended June 30, 2009 for a total cost of $35,944,664. The site and improvements have been conveyed to the School District in exchange for a portion of land owned by the School District (the old school site).

The Agency also agreed to deconstruct the old school site, and finance the cost of certain infrastructure improvements to the adjacent Cannery Park, which will be jointly used by HARD and Park District and the School District. This infrastructure project was completed during the year ended June 30, 2009 for a total cost of $6,813,260. The site and improvements have been conveyed to the HARD.

Receivables - To partially compensate the Agency for the above design and construction costs and repay the advances, the School District, HARD and the City have agreed to assign certain school development fees and park-in-lieu fees to the Agency. In addition, the School District has agreed that the Agency may retain pass-through payments due the School District pursuant to the Health and Safety Code, as partial compensation for the above costs. The remaining unreimbursed costs are recorded as a long-term receivable in the accompanying financial statements. The following is a schedule of changes in the loan receivable balance for the year ended June 30, 2010:

	School Project	Cannery Park
Balance at June 30, 2009	$29,958,717	4,597,037
Additional reimbursable costs incurred during fiscal year	315,099	-
Less: Pass-through payments	(153,966)	-
Less: Development fees	(330,239)	-
Less: Park in lieu fees	-	(79,484)

Balance at June 30, 2010	$29,789,611	4,517,553

(4) Redevelopment Activities, (Continued)

C. Loans Receivable

Housing Program - In addition to the loans noted above, in order to carry out low and moderate housing programs, Redevelopment low and moderate income housing funds were loaned to home buyers and third-party contractors for the purposes of promoting home ownership in the City and developing low and moderate income housing. The loans bear interest at rates equivalent to either the 11th district cost of funds or the rate the City earns on its cash and investments.

Huntwood Commons Apartments - The City has a loan agreement with Eden Housing, Inc., a California nonprofit public benefit corporation Eden Housing intends to rehabilitate thirty-nine units of rental housing for rental to low-income households and one manager's unit. The loans are in the amount of $840,000 consisting of HOME funds and $175,500 consisting of Workforce Housing Reward funds. At June 30, 2010 the principal balances outstanding for the HOME and Workforce Housing Reward loan funds were $840,000 and $175,500, respectively. The outstanding principal balance of the loan funds will accrue interest at a rate of 3% annually. Repayments of the principal amount of the loan and any accrued interest on such principal shall be deferred until April 30, 2062.

(5) Capital Assets

Changes in the capital assets consisted of the following:

	Balance at June 30, 2009	Additions	Deletions	Balance at June 30, 2010
Capital assets not being depreciated:				
Land	$ 5,277,955	-	-	5,277,955
Total capital assets not being depreciated	5,277,955	-	-	5,277,955
Capital assets being depreciated:				
Buildings	14,135,897	-	-	14,135,897
Improvements other than buildings	1,574,361	-	-	1,574,361
Machinery and equipment	15,681	-	-	15,681
Total capital assets being depreciated	15,725,939	-	-	15,725,939
Less accumulated depreciation for:				
Buildings	1,036,872	156,114	-	1,192,986
Improvements other than buildings	131,197	62,974	-	194,171
Machinery and equipment	13,451	687	-	14,138
Total accumulated depreciation	1,181,520	219,775	-	1,401,295
Net capital assets being depreciated	14,544,419	(219,775)	-	14,324,644
Capital assets, net	$19,822,374	(219,775)	-	19,602,599

(6) Long-term Obligations

Changes in long-term obligations consist of the following:

Type of Obligation	Outstanding at June 30, 2009	Additions	Retirements	Outstanding at June 30, 2010	Current Portion
Bonds:					
2004 Tax Allocation Bonds	$41,105,000	-	1,335,000	39,770,000	1,400,000
2006 Tax Allocation Bonds	11,800,000	-	-	11,800,000	-
Advances from the City:					
1990 Water Advance	973,196	67,879	-	1,041,075	-
2003 Sewer Advance	822,500	9,377	-	831,877	-
Agency Advance	9,841,289	103,281	800,000	9,144,570	800,000
Total	$64,541,985	180,537	2,135,000	62,587,522	2,200,000

2

2004 Tax Allocation Bonds:

In fiscal year 2004, the Agency issued $44,790,000 of Tax Allocation Bonds to provide funds to defease and retire the 1996 Tax Allocation Bonds and to finance various redevelopment projects within the Redevelopment Project Area. The Bonds are a special obligation of the Agency secured by tax increment revenues on parity with the Agency's 2006 Tax Allocation Bonds.

The Bonds are payable in annual installments as indicated below, until maturity on March 1, 2034. Interest is paid semiannually on March 1 and September 1, with rates ranging from 3% to 5.23% per annum. Bonds outstanding at June 30, 2010 were $39,770,000.

(6) Long-term Obligations, (Continued)

Future debt service requirements on these bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2011	$ 1,400,000	1,972,682	3,372,682
2012	1,460,000	1,909,682	3,369,682
2013	1,525,000	1,843,982	3,368,982
2014	1,595,000	1,775,357	3,370,357
2015	1,665,000	1,703,582	3,368,582
2016-2020	9,575,000	7,272,873	16,847,873
2021-2025	12,165,000	4,359,138	16,524,138
2026-2030	6,920,000	1,710,503	8,630,503
2031-2034	3,465,000	470,905	3,935,905
Totals	$39,770,000	23,018,704	62,788,704

2006 Tax Allocation Bonds:

In fiscal year 2006, the Agency issued $11,800,000 of Tax Allocation Bonds to provide funds to finance various redevelopment projects within the Redevelopment Project Area. The Bonds are special obligation of the Agency secured by tax increment revenues on parity with the Agency's 2004 Tax Allocation Bonds.

The Bonds are payable in annual installments as indicated below, until maturity on March 1, 2036. Interest is paid semiannually on March 1 and September 1, with rates ranging from 3.75% to 4.3% per annum. Bonds outstanding at June 30, 2010 were $11,800,000.

(6) Long-term Obligations, (Continued)

Future debt service requirements on these bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2011	$ -	559,340	559,340
2012	80,000	559,340	639,340
2013	80,000	556,340	636,340
2014	85,000	553,300	638,300
2015	85,000	550,006	635,006
2016-2020	490,000	2,694,075	3,184,075
2021-2025	605,000	2,577,313	3,182,313
2026-2030	5,330,000	2,048,250	7,378,250
2031-2035	3,445,000	1,027,250	4,472,250
2036	1,600,000	80,000	1,680,000
Totals	$11,800,000	11,205,214	23,005,214

1990 Water Fund Advance:

In 1990, the City's Water Enterprise Fund loaned $5,946,333 to the Agency to finance the purchase of land for development. Interest rates related to this loan vary. Scheduled debt service payments for the loan are being made from available incremental property tax revenues. On February 16, 2010, the Council of the City of Hayward approved the deferral of the fiscal year 2010 repayment for this advance.

2003 Sewer Fund Advance:

During fiscal year 2003, the Sewer Enterprise Fund loaned $2.35 million to the Agency to partially finance sidewalk improvements. This loan bears interest from 2.25% to 3.00%, which is paid quarterly. Principal is payable over a five-year period commencing the fourth quarter of fiscal year 2006. On February 16, 2010, the Council of the City of Hayward approved the deferral of the fiscal year 2010 repayment for this advance.

Agency Advance:

In addition to the above amounts, funds have been advanced under an Amended Repayment Agreement whereby the Agency has agreed to reimburse the City for a portion of project costs for the B Street/Watkins/Mission Garage and B Street Retail and Civic Center Plaza not to exceed $11,186,217.

(6) Long-term Obligations, (Continued)

Agency Advance (Continued):

The Agency is to pay annual installments of $800,000 July 1 of each year and interest will accrue on the unpaid principal balance at a rate equal to the average rate earned by the City on moneys invested in LAIF for the applicable fiscal year. Interest shall accrue and be added to the principal balance June 30 of each year. As of June 30, 2010, the balance of the agreement is $9,144,570.

(7) Pass-through payments and tax increment shift to educational revenue augmentation fund (ERAF)

Pursuant to California Redevelopment Law (Health and Safety Code Section 33607.5), the Agency is obligated to pass-through a portion of the gross tax increment received to jurisdictions within the project area. In fiscal year 2010, the Agency calculated and remitted $1,239,244 pass-through payments to the affected jurisdictions.

Since the Agency began making statutory pass through payments to other taxing entities in FY 2002, the Alameda County Auditor-Controller has maintained a position that pass through payments should be made to the Alameda County Education Relief Augmentation Fund (County ERAF). The Agency has disputed this position as being inconsistent with California law, and up until FY 2009 the Agency has calculated and held those amounts aside until the dispute could be resolved. In FY 2009, AB 1389 was passed by the State legislature. This law required that redevelopment agencies submit reports to the county Auditor-Controller regarding their pass-through payments for fiscal years ending 2009 and 2010, and for the previous five-year period. As a result of this process, the Alameda County Auditor-Controller required the Agency to make payment to the County ERAF in the amount of $995,486. The Agency, at the advice of legal counsel, made the payment under protest, and utilized the funds which it has been setting aside in previous years for that purposes.

In FY 2010, the State adopted ABX4-26, which required redevelopment agencies to make Supplemental ERAF (or SERAF) payments to the State for a two-year period. As a result, in FY 2010 the Agency made a payment in the total amount of $4,421,374, including $1 million from the General Capital Projects Fund and $3,421,374 which was borrowed from the Agency's Low and Moderate Income Housing Fund. Under the legislation, the Agency is allowed five years to repay the Low and Moderate Income Housing Fund.

The State also directed that the above amounts be included in the Agency's total incremental property tax receipts for purposes of calculating the amounts to be set aside for Low and Moderate Income Housing.

(8) Commitments and Contingencies

The Agency is involved in several legal proceedings arising from its normal operations. It is the opinion of management that any obligations, which may result from such legal proceedings, will not have a material effect on the financial position of the Agency.

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD
Computation of Low and Moderate Income
Housing Fund - Excess Surplus
June 30, 2010

Fund Balance - June 30, 2010		$ 11,492,756
Less:		
Advances to other funds		(3,421,374)
Land held for resale		(707,539)
Available Low/Moderate Income Housing Funds		7,363,843
Limitation (Greater of $1,000,000 or Four Years Set-Aside):		
Set-aside for last four years		
2009 - 2010	2,036,130	
2008 - 2009	2,526,042	
2007 - 2008	2,416,597	
2006 - 2007	2,293,128	
Total set-aside for last four years	9,271,897	
Base limitation	1,000,000	
Greater Amount		9,271,897
Computed Excess Surplus - June 30, 2010		$ -

Board of Directors
Redevelopment Agency of the
City of Hayward, California

REPORT ON COMPLIANCE AND OTHER MATTERS AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited the financial statements of the governmental activities and each major fund of the Redevelopment Agency of the City of Hayward as of and for the year ended June 30, 2010, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated December 3, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Such provisions included those provisions of laws and regulations identified in the *Guidelines for Compliance Audits of California Redevelopment Agencies*, issued by the State Controller and as interpreted in the *Suggested Auditing Procedures for Accomplishing Compliance Audits of California Redevelopment Agencies*, issued by the Governmental Accounting and Auditing Committee of the California Society of Certified Public Accountants. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Agency's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Agency's financial statements that is more than inconsequential will not be prevented or detected by the Agency's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Agency's internal control.

We noted an immaterial matter we reported to the management of the City of Hayward in a separate letter dated December 3, 2010.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily disclose all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management of the Redevelopment Agency, the Board of Directors, and the State Controller and is not intended to be and should not be used by anyone other than these specified parties.

Irvine, California
December 3, 2010

APPENDIX B

ANNUAL REPORT OF FINANCIAL TRANSACTIONS FOR FY 2010

Redevelopment Agency of the City of Hayward
December 2010

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

General Information

Fiscal Year 2010

Members of the Governing Body

	Last Name	First Name	Middle Initial
Chairperson	Sweeney	Michael	
Member	Henson	Olden	
Member	Quirk	Bill	
Member	Halliday	Barbara	
Member	Zermeno	Francisco	
Member	Salinas	Mark	
Member	Peixoto	Marvin	
Member			
Member			
Member			

Mailing Address

Street 1	777 B Street
Street 2	
City	Hayward
State	CA
Zip	94541-5007
Phone	(510) 583-4010

☐ Is Address Changed?

Agency Officials

	Last Name	First Name	Middle Initial	Phone
Executive Director	David	Fran		(510) 583-4300
Fiscal Officer	Auker	Debra		(510) 583-4010
Secretary	Lens	Miriam		(510) 583-4401

	Report Prepared By	Independent Auditor
Firm Name		Mayer Hoffman McCann
Last	Gudino	Farr
First	Henry	Jennifer
Middle Initial		
Street	777 B Street	2301 Dupont Drive Suite 200
City	Hayward	Irvince
State	CA	CA
Zip Code	94541-5007	92612-
Phone	(510) 583-4091	(949) 474-2020

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Audit Information

Fiscal Year 2010

Was the Report Prepared from Audited Financial Data, and Did You Submit a Copy of the Audit?	Yes
Indicate Financial Audit Opinion	Unqualified
If Financial Audit is not yet Completed, What is the Expected Completion Date?	
If the Audit Opinion was Other than Unqualified, State Briefly the Reason Given	
Was a Compliance Audit Performed in Accordance with Health and Safety Code Section 33080.1 and the State Controller's Guidelines for Compliance Audits, and Did You Submit a Copy of the Audit?	Yes
Indicate Compliance Audit Opinion	Unqualified
If Compliance Audit is not yet Completed, What is the Expected Completion Date?	

If compliance opinion includes exceptions, state the areas of non-compliance, and describe the agency's efforts to correct.

Redevelopment Agencies Financial Transactions Report

Project Area Report

Fiscal Year 2010 **Project Area Name** Downtown Hayward Project Area

Please Provide a Brief Description of the Activities for this Project Area During the Reporting Year.

Activity Report

*Retail Attraction Program - began in 2006, provides loans to property owners and business to attract targeted retailers to fill vacancies in downtown area for rehabilitation and facade improvements. 5 loans made totaling $387,000.

*Electrical Transformer Project - to improve electrical infrastructure to building enabling leasing of chronically vacant or undeserved buildings.

*Cinema Entertainment Complex - includes development of two story retail/entertainment complex featuring 12 movie screens theatre operated by Century Theatures; 19,500 sq ft of restaurant and retail space, and 244 space public parking structure; Agency is promoting leasing in the complex.

*Burbank/ Cannery Area - centerpiece development included Burbank Elementary School and expanded Cannery Park.

Forwarded from Prior Year ?	Yes
Enter Code for Type of Project Area Report	P

P = Standard Project Area Report; A = Administrative Fund; L = Low and Moderate Income Housing Fund; M = Mortgage Revenue Bond Program; O = Other Miscellaneous Funds or Programs; S = Proposed (Survey) Project Area

Does the Plan Include Tax Increment Provisions?	Yes
Date Project Area was Established *(MM-DD-YY)*	12/30/1975
Most Recent Date Project Area was Amended	5/2/2006
Did this Amendment Add New Territory?	No
Most Recent Date Project Area was Merged	
Will this Project Area be Carried Forward to Next Year?	Yes

Established Time Limit :

Repayment of Indebtedness *(Year Only)*	2047
Effectiveness of Plan *(Year Only)*	2032
New Indebtedness *(Year Only)*	2021
Size of Project Area in Acres	1,348
Percentage of Land Vacant at the Inception of the Project Area *Health and Safety Code Section 33320.1 (xx.x%)*	4.0
Percentage of Land Developed at the Inception of the Project Area *Health and Safety Code Section 33320.1 (xx.x%)*	96.0
Objectives of the Project Area as Set Forth in the Project Area Plan *(Enter the Appropriate Code(s) in Sequence as Shown)*	RCPO

R = Residential I = Industrial C = Commercial P = Public O = Other

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Assessed Valuation Data

Fiscal Year **2010**

Project Area Name	Downtown Hayward Project Area
Frozen Base Assessed Valuation	622,930,415
Increment Assessed Valuation	999,173,915
Total Assessed Valuation	1,622,104,330

Redevelopment Agency Of The City Of Hayward
Redevelopment Agencies Financial Transactions Report

Pass-Through / School District Assistance

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

Amounts Paid To Taxing Agencies Pursuant To:	Tax Increment Pass Through Detail				Other Payments	
	H & S Code Section 33401	H & S Code Section 33676	H & S Code Section 33607	Total	H & S Code Section 33445	H & S Code Section 33445.5
County			4,863,370	$4,863,370		
Cities			235,031	$235,031		
School Districts			266,519	$266,519		
Community College District			33,002	$33,002		
Special Districts			262,696	$262,696		
Total Paid to Taxing Agencies	$0	$0	$5,660,618	$5,660,618	$0	$0
Net Amount to Agency				$4,520,035		
Gross Tax Increment Generated				10,180,653		

Redevelopment Agency Of The City Of Hayward
Redevelopment Agencies Financial Transactions Report
Summary of the Statement of Indebtedness - Project Area

Fiscal Year	2010
Project Area Name	Downtown Hayward Project Area
Tax Allocation Bond Debt	85,793,944
Revenue Bonds	
Other Long Term Debt	
City/County Debt	11,017,522
Low and Moderate Income Housing Fund	25,865,977
Other	6,652,442
Total	$129,329,885
Available Revenues	4,009,381
Net Tax Increment Requirements	$125,320,504

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

Forward from Prior Year	Yes
Bond Type	City/County Debt
Year of Authorization	1975
Principal Amount Authorized	11,186,217
Principal Amount Issued	11,186,217
Purpose of Issue	Downtown city redevelopment
Maturity Date Beginning Year	2008
Maturity Date Ending Year	2036
Principal Amount Unmatured Beginning of Fiscal Year	$9,841,289
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	103,281
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	800,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	$9,144,570
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

Forward from Prior Year	Yes
Bond Type	City/County Debt
Year of Authorization	1975
Principal Amount Authorized	8,296,333
Principal Amount Issued	8,296,333
Purpose of Issue	Property Acquisition
Maturity Date Beginning Year	1990
Maturity Date Ending Year	2013
Principal Amount Unmatured Beginning of Fiscal Year	$1,795,696
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	77,256
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	$1,872,952
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year	2010
Project Area Name	Downtown Hayward Project Area

Forward from Prior Year	Yes
Bond Type	Tax Allocation Bonds
Year of Authorization	2004
Principal Amount Authorized	44,790,000
Principal Amount Issued	44,790,000
Purpose of Issue	New Capital Projects and Refunding
Maturity Date Beginning Year	2004
Maturity Date Ending Year	2034
Principal Amount Unmatured Beginning of Fiscal Year	$41,105,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	1,335,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	$39,770,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

Forward from Prior Year	Yes
Bond Type	Tax Allocation Bonds
Year of Authorization	2006
Principal Amount Authorized	11,800,000
Principal Amount Issued	11,800,000
Purpose of Issue	New Capital Projects and Refunding
Maturity Date Beginning Year	2006
Maturity Date Ending Year	2036
Principal Amount Unmatured Beginning of Fiscal Year	$11,800,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	$11,800,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agency of The City Of Hayward
Redevelopment Agencies Financial Transactions Report
Statement of Income & Expenditures - Revenues

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Revenues

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross *(Include All Apportionments)*	8,144,522		2,036,131		$10,180,653
Special Supplemental Subvention					$0
Property Assessments					$0
Sales and Use Tax					$0
Transient Occupancy Tax					$0
Interest Income	83,198	629	233,400		$317,227
Rental Income	50,000				$50,000
Lease Income					$0
Sale of Real Estate					$0
Gain on Land Held for Resale					$0
Federal Grants					$0
Grants from Other Agencies					$0
Bond Administrative Fees					$0
Other Revenues	681,232		54,863		$736,095
Total Revenues	$8,958,952	$629	$2,324,394	$0	$11,283,975

Redevelopment Agency of The City Of Hayward
Redevelopment Agencies Financial Transactions Report
Statement of Income & Expenditures - Expenditures

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Expenditures

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Administration Costs	1,246,837		411,640		$1,658,477
Professional Services	1,653,351				$1,653,351
Planning, Survey, and Design					$0
Real Estate Purchases					$0
Acquisition Expense					$0
Operation of Acquired Property					$0
Relocation Costs					$0
Relocation Payments					$0
Site Clearance Costs					$0
Project Improvement / Construction Costs	976,250				$976,250
Disposal Costs					$0
Loss on Disposition of Land Held for Resale					$0

Redevelopment Agency of The City Of Hayward
Redevelopment Agencies Financial Transactions Report
Statement of Income & Expenditures - Expenditures

Redevelopment Agency Of The City Of Hayward
Redevelopment Agencies Financial Transactions Report
Statement of Income and Expenditures - Expenditures

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Decline in Value of Land Held for Resale					$0
Rehabilitation Costs	361,005				$361,005
Rehabilitation Grants					$0
Interest Expense	180,537	2,605,864			$2,786,401
Fixed Asset Acquisitions					$0
Subsidies to Low and Moderate Income Housing			1,738,720		$1,738,720
Debt Issuance Costs					$0
Other Expenditures Including Pass-Through Payment(s)	5,660,618				$5,660,618
Debt Principal Payments:					
Tax Allocation Bonds and Notes		1,335,000			$1,335,000
Revenue Bonds, Certificates of Participation, Financing Authority Bonds					$0
City/County Advances and Loans	800,000				$800,000
All Other Long-Term Debt					$0
Total Expenditures	$10,878,598	$3,940,864	$2,150,360	$0	$16,969,822
Excess (Deficiency) Revenues over (under) Expenditures	($1,919,646)	($3,940,235)	$174,034	$0	($5,685,847)

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Proceeds of Long-Term Debt					$0
Proceeds of Refunding Bonds					$0
Payment to Refunded Bond Escrow Agent					$0
Advances from City/County					$0
Sale of Fixed Assets					$0
Miscellaneous Financing Sources (Uses)	-244,978		-1,041,250		($1,286,228)
Operating Transfers In		3,938,454			$3,938,454
Tax Increment Transfers In					$0
Operating Transfers Out	3,938,454				$3,938,454
Tax Increment Transfers Out					$0
(To the Low and Moderate Income Housing Fund)					
Total Other Financing Sources (Uses)	($4,183,432)	$3,938,454	($1,041,250)	$0	($1,286,228)

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2010

Project Area Name Downtown Hayward Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	($6,103,078)	($1,781)	($867,216)	$0	($6,972,075)
Equity, Beginning of Period	$17,670,627	$4,011,163	$12,359,972	$0	$34,041,762
Prior Period Adjustments					$0
Residual Equity Transfers					$0
Equity, End of Period	$11,567,549	$4,009,382	$11,492,756	$0	$27,069,687

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Assets and Other Debits

Fiscal Year 2010	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Assets and Other Debits							
Cash and Imprest Cash	7,501,680		7,995,248				$15,496,928
Cash with Fiscal Agent		4,009,382					$4,009,382
Tax Increments Receivable							$0
Accounts Receivable	330,419						$330,419
Accrued Interest Receivable	21,137		21,815				$42,952
Loans Receivable	35,273,293		5,987,621				$41,260,914
Contracts Receivable							$0
Lease Payments Receivable							$0
Unearned Finance Charge							$0
Due from Capital Projects Fund			3,421,374				$3,421,374
Due from Debt Service Fund							$0
Due from Low/Moderate Income Housing Fund							$0
Due from Special Revenue/Other Funds							$0

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Assets and Other Debits

Fiscal Year 2010	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Investments							$0
Other Assets							$0
Investments: Land Held for Resale	9,565,031		707,539				$10,272,570
Allowance for Decline In Value of Land Held for Resale							$0
Fixed Assets: Land, Structures, and Improvements						19,601,056	$19,601,056
Equipment						1,543	$1,543
Amount Available In Debt Service Fund					62,587,522		$62,587,522
Amount to be Provided for Payment of Long-Term Debt							$0
Total Assets and Other Debits	$52,691,560	$4,009,382	$18,133,597	$0	$62,587,522	$19,602,599	$157,024,660

(Must Equal Total Liabilities, Other Credits, and Equities)

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Liabilities and Other Credits

Fiscal Year 2010	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Liabilities and Other Credits							
Accounts Payable	187,802		348,861				$536,663
Interest Payable							$0
Tax Anticipation Notes Payable							$0
Loans Payable							$0
Other Liabilities	37,514,835		6,291,980				$43,806,815
Due to Capital Projects Fund							$0
Due to Debt Service Fund							$0
Due to Low/Moderate Income Housing Fund	3,421,374						$3,421,374
Due to Special Revenue/Other Funds							$0
Tax Allocation Bonds Payable					51,570,000		$51,570,000
Lease Revenue, Certificates of Participation Payable, Financing Authority Bonds							$0
All Other Long-Term Debt					11,017,522		$11,017,522
Total Liabilities and Other Credits	$41,124,011	$0	$6,640,841	$0	$62,587,522		$110,352,374

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Redevelopment Agencies Financial Transactions Report

Balance Sheet - Liabilities and Other Credits

Fiscal Year 2010	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Equities							
Investment In General Fixed Assets						19,602,599	$19,602,599
Fund Balance Reserved	9,565,031	4,009,382	11,492,756				$25,067,169
Fund Balance Unreserved-Designated							$0
Fund Balance Unreserved-Undesignated	2,002,518						$2,002,518
Total Equities	$11,567,549	$4,009,382	$11,492,756	$0		$19,602,599	$46,672,286
Total Liabilities, Other Credits, and Equities	$52,691,560	$4,009,382	$18,133,597	$0	$62,587,522	$19,602,599	$157,024,660

Redevelopment Agency Of The City Of Hayward

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Summary, Combined Transfers In/Out

Fiscal Year	2010
Operating Transfers In	$3,938,454
Tax Increment Transfers In	$0
Operating Transfers Out	$3,938,454
Tax Increment Transfers Out	$0

PROJECT AREA REPORT FY 2010

In FY 2010 the Hayward Redevelopment Agency initiated or continued work on the following activities:

ORIGINAL DOWNTOWN AREA & 1987 ANNEX SUB-AREA

The Retail Attraction Program, which began in 2006, provides loans to property owners and businesses to attract targeted retailers and to fill persistent vacancies in downtown retail properties. In FY 2010, the focus of this program shifted to the Foothill Boulevard Initiative, with the goal of undertaking façade improvements to two significant block faces. The Agency hired an architectural firm to prepare preliminary façade designs and cost estimates for the work. The property owners were included in all phases of hiring the firm, and considering the designs. The loan program has been tailored to meet the needs of this initiative, and façade improvements are expected to commence in FY 2011. The total budget for the Foothill Boulevard block façade improvements is approximately $1.1 million. Also FY 2010, five tenant improvement loans in the total amount of $387,000 were made for four businesses and one building owner, including Montero Market, Zuckersuss Yogurt, Kraski's Nutrition, CW Foothill, and Club Me. The program has issued a total of nine loans since 2007.

In FY 2010, an Electrical Transformer Upgrade project for the corner of B and Main Street was funded by the Agency, and was completed by the City's Public Works staff. The intent of this project was to improve the electrical infrastructure available to buildings, thereby enabling the leasing of chronically vacant or underserved buildings.

The Cinema Place entertainment complex, located at the heart of downtown Hayward, opened in October 2008. The development includes a two-story retail/entertainment complex featuring a 12-screen movie theatre operated by Century Theatres, 19,500 square feet of restaurant and retail space, and a 244-space public parking structure. The development is on ground-leased property owned by the Agency. During FY 2010, the Agency continued to work with the developer to promote leasing at the complex. While leasing activity remained slow due to the recessionary economy, a new sushi restaurant is preparing to open in late 2010, with an equipment loan provided by the City's Revolving Loan fund. During FY 2010, the Agency also completed installation of street lighting and decorative murals in Theatre Alley. Another mural is underway at the parking garage. Finally, the Agency continues to work with the California Regional Water Quality Control Board to remediate groundwater contamination at the site.

During FY 2010, the Agency terminated negotiations with MIKA Realty Group for redevelopment of the City Center Campus with a new hotel and conference facility, with multi-family housing to be built on a podium above the existing garage, and for rehabilitation of the existing office building. Although DDA terms were negotiated, MIKA was unable to secure financing for the project, and tenants for the office building. Centennial Hall was closed in October 2009, and preparations to demolish this City-owned building got underway in summer, 2010. Agency funding for this project has

been suspended due to recent reductions in tax increment revenues and State SERAF takeaways.

BURBANK/CANNERY SUB-AREA

The centerpiece development for this Sub-Area is the new Burbank Elementary School and expanded Cannery Park, which were completed in FY 2009. The two-story school contains 41 classrooms, music and science rooms, and a teaching garden. The school also features a multi-purpose room which serves as a cafeteria and gymnasium, and is available to the Hayward Area Recreation District (HARD) for recreational basketball use during non-school hours. The adjacent Cannery Park was expanded and connected to the school, and surrounding streets and parking were also installed. The park improvements include new restrooms, picnic facilities, distinctive climbing features, a water play area, skateboarding and basketball facilities, and two refurbished, night-lit baseball fields. The Agency continues to work with the California Department of Toxic Substance Control to obtain case closure for site environmental remediation. The new school, expanded park and infrastructure project was an eight-year, $40 million redevelopment effort.

The 3.9-acre Burbank Residual School site was transferred by the Hayward Unified School District to the Agency to help defray the cost of the new school. The Agency intends to sell the site for residential development. The Agency was in negotiations with Citation Homes Central in FY 2009, however, the parties agreed to terminate negotiations due to the recessionary state of the economy. In June 2010, the Agency approved entering into negotiations with Urban Dynamic, LLC for the development of this site, and the developer is currently pursuing site entitlements for a 57-unit single-family development that will incorporate "green" design features.

Development at Cannery Place, south of the new Burbank School was given a boost in FY 2010, with the sale of several tracts in the development to Taylor-Morrison Homes and KB Homes. Taylor Morrison has recommenced the building program on this site, which has been slightly modified, and now includes 623 units total.

FOOTHILL/MISSION SUB-AREA

In FY 2010, the City moved ahead on two major Agency-funded planning projects affecting this Sub-area. The South Hayward BART/Mission Boulevard Form-Based Code Project encompasses the area extending along Mission Boulevard from Harder Road to Industrial Boulevard. The purpose of this planning effort is to refine the vision set forth in the 2006 Concept Plan for the area surrounding the South Hayward BART Station with zoning regulations, subdivision standards, and design standards. The Mission Boulevard Corridor Specific Plan continues the planning process along the Mission Boulevard corridor, from Harder Road to Jackson Street, and from A Street north to the City boundaries. This plan excludes Mission Boulevard within the downtown area. The goals for this Plan also include development of a form-based code, promotion of pedestrian-friendly urban design, and a revitalization strategy to address distressed commercial properties, particularly older auto-oriented uses. Both plans are scheduled to be considered for adoption in FY 2011.

The proposed South Hayward BART Station transit-oriented development (TOD) by Wittek and Montana consists of a major housing and retail development, plus BART replacement parking and circulation improvements. The project includes 777 total units of housing, including 206 affordable apartments to be developed by Eden Housing, with another 230 units of market-rate apartments and 341 condominium units. The total cost of the project is estimated approximately $290 million. The project was entitled by the City in FY 2009, and in June 2009 the project was awarded State Proposition 1C funds in the amount of $47 million, consisting of $17 million for the affordable housing and $30 million for public improvements. As part of the application process, the Agency has conditionally committed to provide local match funds of up to $19.8 million, including $12.7 million for public improvements and $7.1 million for affordable housing from the Low and Moderate Income Housing Fund. In FY 2010, the Agency and its consultants and partners have: 1) worked with BART and the developers to prepare BART Station access studies in order to refine circulation and obtain BART approval for the replacement parking plan, 2) analyzed the development proforma, and 3) developed documents for the project partnership structure. Much additional work remains to be undertaken, including refining and executing agreements with the State for Prop. 1-C funds, as well as to finance the project, particularly in light of economic conditions.

In FY 2009 the Agency acquired and cleared four parcels of eight parcels on the west side of Mission Boulevard between Sycamore Avenue and Pinedale Court. These initial acquisitions included significantly blighted properties, which had been subject to fire damage. It is the Agency's intent is to assemble the block for redevelopment purposes. In FY 2010, the Agency suspended further site assembly work due to reductions in revenue and State SERAF takeaways. This project will recommence when funding is available.

AFFORDABLE HOUSING

In FY 2010, the Redevelopment Agency approved a $1.5 million loan and mortgage revenue bond financing for Eden Housing, Inc. to purchase and rehabilitate Tennyson Gardens, a financially-troubled 96-unit affordable housing development. In particular, this development was in need of security improvements and superior local management, which Eden - a Hayward-based affordable housing developer – could provide. Improvements were completed in summer, 2010.

In July 2010, Citation Homes transferred, at no cost, an approximately one-acre parcel located at B & Grand Street to the Agency, in fulfillment of the developers inclusionary housing requirements related to the Cannery Place development. As part of the acquisition, staff obtained a Phase I environmental report and worked with Citation Homes and the Regional Water Quality Control Board regarding the need for final confirmation site testing prior to development. The Agency is currently negotiating with Eden Housing, Inc. to develop an approximately 22-unit addition to the adjacent C & Grand Senior Housing Development.

In June 2009 the Agency purchased a 32,015 square foot vacant site on the corner of A and Walnut Street along the northern edge of the Burbank/Cannery Area. This surplus

site was purchased from the City of Hayward for $707,000 with Low and Moderate Income Housing funds in anticipation of future affordable housing development. It is anticipated that a Request for Affordable Housing Development Proposals will be issued for this site in FY 2011.

Twenty loans, amounting to a total of $630,000 were made under the First-Time Homebuyer program in FY 2010. This program is funded by the Low and Moderate Income Housing Fund, and staff works with a contract service provider, Bay Area Homebuyer Agency (BAHBA). Twelve of the twenty loans were for moderate-income affordable new homes provided under the City's Inclusionary Housing Ordinance.

Finally, the City's $1.5 million Federal Neighborhood Stabilization Program (NSP-1) funds were completely obligated in FY 2010, and four foreclosed homes were acquired by Habitat for Humanity, under contract with the City. Rehabilitation work is underway, and the homes will be sold in FY 2011. Hayward is participating with Alameda County's NSP-2 Consortium, and Hayward has been allocated an additional approximately $1.5 million of these funds. A fifth home was recently purchased with these funds.

AGENCY'S PROGRESS IN ALLEVIATING BLIGHT
(Pursuant to H&S 33080.I (d), (e), and (f))

The Agency continued to make progress in alleviating blight in several specific ways including the follow projects:

- The Agency's Retail Attraction Program works to fill vacant retail store fronts in the downtown area, and has directly assisted new leases at four spaces in FY 2010.
- Completion of alley lighting and murals at Cinema Place will help deter vandalism and crime in downtown.
- The City and Agency has worked to enforce security and maintenance of the vacant office building at City Center, and is making preparations to demolish Centennial Hall, which is also vacant.
- Ongoing environmental remediation activities at Cinema Place and at the Cannery Park site have enabled the redevelopment of these areas. The Burbank Residual School property will also undergo remediation activities.
- Blight reducing activities associated with City-wide affordable housing production and preservation include the purchase and rehabilitation of Tennyson Gardens as well as the five foreclosed homes purchased and rehabilitated with NSP funds.

STATUS OF AGENCY LOANS
(Pursuant to H&S 33080.I (d), (e), and (f))

The Agency is not in default on any loans, nor is it out of compliance with respect to any of its existing debt.

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

LISTING OF LAND HELD FOR RESALE & REDEVELOPMENT FY 2009-10

RDA General Capital Fund	
Russell Way; 24,242 sq. ft. vacant parcel held for resale	$212,000.00
24311 Mission Blvd acquisition 12/22/08	$1,822,415.26
24491 Mission Blvd acquisition 10/17/08	$1,660,615.70
Total RDA General Capital Fund	$3,695,030.96
TABS Capital Projects Fund	
School Residual Property: Land transfer from HUSD to RDA at appraised value (Parcel 1) 7/28/08	$5,870,000.00
Low and Moderate Income Housing Fund	
123-197 A Street acquisition 6/24/09	$707,539.00
6/30/10 Total Land Held for Resale /Redevelopment	**$10,272,569.96**

LISTING OF OTHER AGENCY-OWNED PROPERTIES

Land: City Hall Municipal Parking Structure	$ 650,000
Bldg: Municipal Parking Structure - 498-space municipal parking structure on approximately 63,500 sq. ft. lot	$3,558,965
Bldg: 3rd Level Separate Addition	$3,466,201
Land: Muni Lot #2 – Partial acquisition of land at 1025 A Street (6210± sq. ft.) and full acquisition of land at1027 A Street, to expand Muni Lot #2, purchased 5/11/05	$737,439
Land: Muni Lot #2 – Partial acquisition 1077 A St. (2,840± sq. ft.) of land and access easement to expand Municipal Lot #2, purchased 5/11/05	$110,000
Improvements: Muni Lot #2, completed	$1,574,361
Land: City Hall Plaza Park (former Site 2 approx 31,910 sq. ft.)	$337,500
Land: Cinema Place B & Foothill parcels	$3,443,016
Bldg: Cinema Place Parking Structure	$7,110,731
6/30/10 Total Other Agency-Owned Properties	**$20,988,213**

APPENDIX C

DESCRIPTION OF AGENCY'S ACTIVITIES AFFECTING HOUSING AND DISPLACEMENT

Redevelopment Agency of The City Of Hayward

December 2010

California Redevelopment Agencies - Fiscal Year 2009/2010
Status of Low and Moderate Income Housing Funds
Sch C Agency Financial Summary
HAYWARD

Adjusted Beginning Balance	Project Area Receipts	Agency Other Revenue	Total Expenses	Net Resources Available	Other Housing Fund Assets	Total Housing Fund Assets	Encum-brances	* Unen-cumbered Balance	Unen-cumbered Designated	Unen-cumbered Not Dsgntd
$12,359,972	$2,324,394	$0	$3,191,610	$11,492,756	$18,133,597	$29,626,353	$91,280	$11,401,476	$0	$11,401,476

Expenses	Housing Rehabilitation	Planning and Administration Costs	Subsidies	Transfers Out of Agency	Total
2009/2010	$1,108,720	$411,640	$630,000	$1,041,250	$3,191,610

*The Unencumbered Balance is equal to Net Resources Available minus Encumbrances

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
HAYWARD

		Beginning Balance	**$12,359,972**
		Adjustment to Beginning Balance	**$0**
		Adjusted Beginning Balance	**$12,359,972**
Total Tax Increment From PA(s)	**$2,036,131**	**Total Receipts from PA(s)**	**$2,324,394**
		Other Revenues not reported on Schedule A	**$0**
		Sum of Beginning Balance and Revenues	**$14,684,366**

Expenditure			
Item	**Subitem**	**Amount**	**Remark**
Housing Rehabilitation			
		$1,108,720	
	Subtotal of Housing Rehabilitation	**$1,108,720**	
Planning and Administration Costs			
Administration Costs		$195,536	
Professional Services		$216,104	
	Subtotal of Planning and Administration Costs	**$411,640**	
Subsidies from the LMIHF			
1st Time Homebuyer Down Payment Assistance		$630,000	
	Subtotal of Subsidies from the LMIHF	**$630,000**	
Transfers Out of Agency			
Other		$1,041,250	Funding of Route 238 "Opportunity to Purchase Home Program"(OPHP)
	Subtotal of Transfers Out of Agency	**$1,041,250**	
	Total Expenditures	**$3,191,610**	

Net Resources Available	**$11,492,756**
Indebtedness For Setasides Deferred	**$0**

Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
HAYWARD

Other Housing Fund Assets

Category	Amount	Remark
Loan Receivable for Housing Activities	$5,987,621	
Other	$11,438,437	Cash and Investments; Interest Receivable; and SERAF loan to Agency
Value of Land Purchased with Housing Funds	$707,539	
Total Other Housing Fund Assets	$18,133,597	

Total Fund Equity $29,626,353

2005/2006	$1830963			
2006/2007	$2293128			
2007/2008	$2416597	sum of 4 Previous Years' Tax Increment for 2009/2010	Prior Year Ending Unencumbered Balance	Excess Surplus for 2009/2010
2008/2009	$2526043	$9066731	$10,152,433	$1,085,702

Sum of Current and 3 Previous Years' Tax Increments	$9,271,899
Adjusted Balance	$11,401,476
Excess Surplus for next year	$2,129,577
Net Resources Available	$11,492,756
Unencumbered Designated	$0
Unencumbered Undesignated	$11,401,476
Total Encumbrances	$91,280
Unencumbered Balance	$11,401,476
Unencumbered Balance Adjusted for Debt Proceeds	$0
Unencumbered Balance Adjusted for Land Sales	$0
Excess Surplus Expenditure Plan	No
Excess Surplus Plan Adoption Date	

Site Improvement Activities Benefiting Households

Income Level	Low	Very Low	Moderate	Total

Land Held for Future Development

Site Name	Num Of Acres	Zoning	Purchase Date	Estimated Start Date	Remark

Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
HAYWARD

Land Held for Future Development

Site Name	Num Of Acres	Zoning	Purchase Date	Estimated Start Date	Remark
A & Walnut	.73	RM/SD4	06/25/2009	07/01/2012	

Use of the Housing Fund to Assist Mortgagors

Income Adjustment Factors

Requirements Completed

Home $

Hope $

Non Housing Redevelopment Funds Usage

Resource Needs

LMIHF Deposits/Withdrawls

Document Name	Document Date	Custodian Name	Custodian Phone	Copy Source

Achievements

Description

California Redevelopment Agencies- Fiscal Year 2009/2010
Project Area Contributions to Low and Moderate Income Housing Fund
Sch A Project Area Financial Information

Agency HAYWARD

Address 777 B Street
Hayward CA 94541

Project Area DOWNTOWN HAYWARD PROJECT

Type: Inside Project Area Status: Active

Plan Adoption: 1975 Plan Expiration Year: 2047

Gross Tax Increment	Calculated Deposit	Amount Allocated	Amount Exempted	Amount Deferred	Total Deposited	%	Cumulative Def.
$10,180,653	$2,036,131	$2,036,131	$0	$0	$2,036,131	20.00%	$0

Repayment	$0
Category	
Interest Income	$233,400
Other Revenue	$54,863
Total Additional Revenue	$288,263
Total Housing Fund Deposits for Project Area	$2,324,394

Agency Totals For All Project Areas:

Gross Tax Increment	Calculated Deposit	Amount Allocated	Amount Exempted	Amount Deferred	Total Deposited	%	Cumulative Def.
$10,180,653	$2,036,130.6	$2,036,131	$0	$0	$2,036,131	20%	$0

Total Additional Revenue from Project Areas:	$288,263
Total Deferral Repayments:	$0
Total Deposit to Housing Fund from Project Areas:	$2,324,394

California Redevelopment Agencies-Fiscal Year 2009/2010
Project Area Contributions to Low and Moderate Income Housing Funds
Sch A Project Area Summary Report
HAYWARD

Project Area	100% of Tax Increment	20% Set Aside Requirement	Tax Increment Allocated	Amount Exempted	Amount Deferred	Tax Incr. Deposited to Hsng Fund	Percent of Tax Incr Dep	Repayment Deferrals	Other Income	Total Deposited to Housing
DOWNTOWN HAYWARD PROJECT	$10,180,653	$2,036,131	$2,036,131	$0	$0	$2,036,131	20.00%	$0	$288,263	$2,324,394
Agency Totals:	$10,180,653	$2,036,131	$2,036,131	$0	$0	$2,036,131	20.00%	$0	$288,263	$2,324,394

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

Project Area Name: **OUTSIDE PROJECT AREA**

Project Name: **First Time Homebuyer Program**
Address: **777 B Street Hayward 94541**

UNIT INVENTORY

			Very Low	Low	Moderate	Above Mod	Became Ineligible	Total
Other Provided with LMIHF								
		Unit						
Subsidy								
Non-Agency	Owner	Non-Elderly	0	3	17	0	0	20
		Unit Total	0	3	17	0	0	20

PROJECT FUNDING SOURCE

Funding Source	Amount
Redevelopment Funds	$630,000
Federal Funds	$30,000
State Funds	$28,349
Private Funds	$4,752,038
Owner Equity	$467,302

Project Name: **Inclusionary Housing Program**
Address: **777 b street hayward 94541**
Owner Name: **City of Hayward**

UNIT INVENTORY

			Very Low	Low	Moderate	Above Mod	Became Ineligible	Total
Inclusionary								
		Unit						
New Construction								
Non-Agency	Owner	Non-Elderly	0	0	14	0	0	14
		Unit Total	0	0	14	0	0	14

Project Area Name: **OUTSIDE PROJECT AREA**

Project Name: **Tennyson Gardens Apartments**
Address: **981 W Tennyson Rd Hayward 94544**
Owner Name: **Tennyson Preservation Limited Partnership**

UNIT INVENTORY

			Very Low	Low	Moderate	Above Mod	Became Ineligible	Total
Other Provided with LMIHF								
		Unit						
Non-Substantial Rehabilitation								
Non-Agency	Rental	Non-Elderly	28	66	2	0	0	96
		Unit Total	28	66	2	0	0	96

PROJECT FUNDING SOURCE

Funding Source	Amount
Redevelopment Funds	$1,500,000
Private Funds	$450,000
Owner Equity	$1,673,021
Federal Funds	$5,021,624

SCHEDULE HCD E
CALCULATION OF INCREASE IN AGENCY'S INCLUSIONARY OBLIGATION FOR ACTIVITIES
(This Form is Information Only: Actual Obligation is based on Implementation Plan)

Report Year: 2009/2010

Agency: HAYWARD

NOTE: This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

PART I [H & SC Section 33413(b)(1)] **AGENCY DEVELOPED**	
1. New Units	0
2. Substantially Rehabilitated Units	0
3. Subtotal - Baseline of Units (add line 1 & 2)	0
4. Subtotal of Inclusionary Obligation Accrued this Year for Units (line 3 x 30%)	0
5. Subtotal of Inclusionary Obligation Accrued this year for Very-Low Income Units (line 4 x 50%)	0
PART II [H & SC Section 33413(b)(2)] **NON-AGENCY DEVELOPED UNITS**	
6. New Units	29
7. Substantially Rehabilitated Units	0
8. Subtotal - Baseline of Units (add lines 6 & 7)	29
9. Subtotal of Inclusionary Obligation Accrued this year for Units (line 8 x 15%)	4
10. Subtotal of Inclusionary Obligation Accrued this year for Very Low Income Units (line 9 x 40%)	2
PART III TOTALS	
11. Total Increase in Inclusionary Obligations During This Fiscal Year (add line 4 & 9)	4
12. Total Increase in Very Low Income Units Inclusionary Obligations During This Fiscal Year (add line 5 & 10)	2

California Redevelopment Agencies - Fiscal Year 2009/2010
Schedule E (11/01)
*Totals may be impacted by rounding

SCHEDULE HCD E1
CALCULATION OF INCREASE IN AGENCY'S INCLUSIONARY OBLIGATION FOR ACTIVITIES
(This Form is Information Only: Actual Obligation is based on Implementation Plan)

Report Year: 2009/2010

Agency: HAYWARD

Project Area: DOWNTOWN HAYWARD PROJECT

Project: CANNERY PLACE

NOTE: This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

PART I [H & SC Section 33413(b)(1)] **AGENCY DEVELOPED**	
1. New Units	0
2. Substantially Rehabilitated Units	0
3. Subtotal - Baseline of Units (add line 1 & 2)	0
4. Subtotal of Inclusionary Obligation Accrued this Year for Units (line 3 x 30%)	0
5. Subtotal of Inclusionary Obligation Accrued this year for Very-Low Income Units (line 4 x 50%)	0

PART II [H & SC Section 33413(b)(2)] **NON-AGENCY DEVELOPED UNITS**	
6. New Units	29
7. Substantially Rehabilitated Units	0
8. Subtotal - Baseline of Units (add lines 6 & 7)	29
9. Subtotal of Inclusionary Obligation Accrued this year for Units (line 8 x 15%)	4
10. Subtotal of Inclusionary Obligation Accrued this year for Very Low Income Units (line 9 x 40%)	2

PART III TOTALS	
11. Total Increase in Inclusionary Obligations During This Fiscal Year (add line 4 & 9)	4
12. Total Increase in Very Low Income Units Inclusionary Obligations During This Fiscal Year (add line 5 & 10)	2

California Redevelopment Agencies - Fiscal Year 2009/2010
Schedule E (11/01)
*Totals may be impacted by rounding

APPENDIX D

STATEMENT OF INDEBTEDNESS

Redevelopment Agency of the City of Hayward

December 2010

STATEMENT OF INDEBTEDNESS - CONSOLIDATED
FILED FOR THE 2010-2011 TAX YEAR

Name of Redevelopment Agency Hayward Redevelopment Agency
Name of Project Area Downtown Hayward Redevelopment Project Area

Balances Carried Forward From:		Line	Current: Total Outstanding Debt	Current: Principal/Interest Due During Tax Year
Fiscal Period - Totals	(From Form A, Page 1 Totals)	(1)	$ 129,329,885.00	$ 37,327,697.00
(Optional) **Post Fiscal Period - Totals**	(From Form B Totals)	(2)		
Grand Totals		(3)	$ 129,329,885.00	$ 37,327,697.00
Available Revenues From Calculation of Available Revenues, Line 7		(4)	$ 4,009,381.00	
Net Requirement		(5)	$ 125,320,504.00	

Consolidate on this form all of the data contained on Form A and B (including supplemental pages). Form A is to include all indebtedness entered into as of June 30 of the Fiscal Year. Form B may be filed at the option of the agency, and is to include indebtedness entered into post June 30 of the Fiscal Year, pursuant to Health and Safety Code Section 33675(c)(2). This is optional for each agency and is not a requirement for filing the Statement of indebtedness. The Reconciliation Statement is to include indebtedness from Form A only.

Certification of Chief Financial Officer:
Pursuant to Section 336775 (b) of the Health and Safety Code.
I hereby certify that the above is a true and accurate Statement of Indebtedness for the above named agency.

Debra C. Auker — Name
Director of Finance — Title
Signature
9/30/10 — Date

STATEMENT OF INDEBTEDNESS
FILED FOR THE 2010-2011 TAX YEAR

Name of Redevelopment Agency Hayward Redevelopment Agency

Name of Project Area Downtown Hayward Redevelopment Project Area

For Indebtedness Entered into as of June 30, 2010

Debt Identification	Original Data					Total Outstanding Debt	Principal/Interest Due During Tax Year
	Date	Principal	Term	Interest Rate	Total Interest		
(A) 20% Low & Mod Income Housing Set Aside Required by H & S Code	As of 06-30-2010	Based on O/S Debt	Until Paid	N/A	N/A	25,865,977.00	25,865,977.00
(B) 2004 RDA Tax Allocation Bonds	05-20-2004	44,790,000.00	03-01-2027	3% - 5.23%	35,677,904.00	62,788,730.00	3,372,682.00
(C) Advance from City of Hayward Water Enterprise Fund Loan	06-01-1990	5,946,333.00	06-01-2015	7.506%	N/A	1,041,075.00	67,879.00
(D) Advance from City of Hayward Sewer Fund Loan	06-30-2003	2,350,000.00	03-31-2014	2.25% - 3%	379,567.00	831,877.00	9,377.00
(E) Repayment Agreement with City of Hayward	07-30-2000	14,386,217.00	06-30-2022	Market Avg 2%	1,576,960.00	9,144,570.00	800,000.00
(F) Due to Other Governments - Pass Through Obligations	As of 06-30-2010	Based on Fiscal Year End	1 Year	N/A	N/A	1,351,191.00	1,351,191.00
(G) 2006 RDA Tax Allocation Bonds	06-02-2006	11,800,000.00	03-01-2036	4.797%	13,273,218.00	23,005,214.00	559,340.00
(H) Payables From Operations - Tax Year	As of 06-30-2010	Based on Fiscal Year End	1 Year	N/A	N/A	1,879,877.00	1,879,877.00
(I) Advance From RDA Low Moderate Fund - AB264x Supplemental ERAF	05-10-2010	4,421,374.00	06-30-2015	N/A	N/A	3,421,374.00	3,421,374.00
(J)							-
Sub Total, This Page						$ 129,329,885.00	$ 37,327,697.00
Totals Forward From All Other Pages						$ -	$ -
Grand Totals						$ 129,329,885.00	$ 37,327,697.00
Available Revenues From Calculation of Available Revenues						$ (4,009,381.00)	
Net Requirement						$ 125,320,504.00	

Purpose of Indebtedness:

(A) Low & Mod Income Housing Set-Aside pursuant to H&S Sec. 3334.2

(B) Finance various redevelopment projects

(C) Finance various redevelopment projects

(D) Downtown sidewalk & streetscape project - phase II

(E) Redevelopment project costs advanced by the City of Hayward

(F) Accrued liability to other governmental agencies for pass through obligations

(G) Finance various redevelopment projects

(H) Tax year operating requirements

(I) Accrued liability to Low & Mod Fund for SERAF payment

(J) _____

RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency: Hayward Redevelopment Agency

Name of Project Area: Downtown Hayward Redevelopment Project Area

Tax Year 2010-2011 Reconciliation Dates: From July 1, 2009 To June 30, 2010

Debt Identification: SOI, page and line: Prior Yr	Current Yr	Brief Description	A Outstanding Debt All Beginning Indebtedness	B Adjustments Increases (Attach Explanation)	C Adjustments Decreases (Attach Explanation)	D Amounts Paid Against Indebtedness, from: Tax Increment	E Amounts Paid Against Indebtedness, from: Other Funds	F Remaining Balance (A+B-C-D-E)
Pg 1 Line A	Pg 1 Line A	20% Low & Mod Income Housing Set Aside Required by H & S Code	26,264,907.00	1,637,200.00		$ 2,036,130.00		25,865,977.00
Pg 1 Line B	Pg 1 Line B	2004 RDA Tax Allocation Bonds	66,491,651.00			3,702,921.00		62,788,730.00
Pg 1 Line C	Pg 1 Line C	Advance from City of Hayward Water Enterprise Fund Loan	973,196.00	67,879.00				1,041,075.00
Pg 1 Line D	Pg 1 Line D	Advance from City of Hayward Sewer Fund Loan	822,500.00	9,377.00				831,877.00
Pg 1 Line E	Pg 1 Line E	Repayment Agreement with City of Hayward	9,841,289.00	103,281.00		800,000.00		9,144,570.00
Pg 1 Line F	Pg 1 Line F	Due to Other Governments - Pass Through Obligations	1,865,325.00	1,351,191.00		1,865,325.00		1,351,191.00
Pg 1 Line G	Pg 1 Line G	2006 RDA Tax Allocation Bonds	23,564,554.00			559,340.00		23,005,214.00
Pg 1 Line H	Pg 1 Line H	Payables From Operations - Tax Year	1,502,610.00	596,610.00		216,936.00	2,407.00	1,879,877.00
TOTAL - THIS PAGE			$ 131,326,032.00	$ 3,765,538.00		$ 9,180,652.00	$ 2,407.00	$ 125,908,511.00
TOTALS FORWARD				$ 4,421,374.00		$ 1,000,000.00	$ -	$ 3,421,374.00
GRAND TOTALS			$ 131,326,032.00	$ 8,186,912.00	$ -	$ 10,180,652.00	$ 2,407.00	$ 129,329,885.00

NOTE: Column A must equal the previous year Statement of Indebtedness Outstanding Debt. Column F must equal this year's SOI Outstanding Debt column. Use the page and line number that the indebtedness is listed on in each year as appropriate, and a brief description. Ignore any indebtedness fully repaid in the previous year, as it had a zero ending balance. All new indebtedness entered into since the previous SOI is to be listed below the previous indebtedness. Enter "new" in the "Prior Yr" page and line column for each new indebtedness.

Rev. 5/2/94

RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency: Hayward Redevelopment Agency

Name of Project Area: Downtown Hayward Redevelopment Project Area

Tax Year 2010-2011 Reconciliation Dates: From July 1, 2009 To June 30, 2010

Debt Identification: SOI, page and line: Prior Yr	Current Yr	Brief Description	A Outstanding Debt All Beginning Indebtedness	B Adjustments Increases (Attach Explanation)	C Adjustments Decreases (Attach Explanation)	D Amounts Paid Against Indebtedness, from: Tax Increment	E Amounts Paid Against Indebtedness, from: Other Funds	F Remaining Balance (A+B-C-D-E)
Pg 2 Line I	Pg 2 Line I	Advance From RDA Low Moderate Fund - AB264x Supplemental ERAF		4,421,374.00		1,000,000.00		3,421,374.00
Pg 2 Line J	Pg 2 Line J							
Pg 2 Line A	Pg 2 Line A							
Pg 2 Line B	Pg 2 Line B							
Pg 2 Line C	Pg 2 Line C							
Pg 2 Line D	Pg 2 Line D							
Pg 2 Line E	Pg 2 Line E							
Pg 2 Line F	Pg 2 Line F							
Pg 2 Line G	Pg 2 Line G							
Pg 2 Line H	Pg 2 Line H							
Pg 2 Line I	Pg 2 Line I							
Pg 2 Line J	Pg 2 Line J							
TOTAL - THIS PAGE			$ -	$ 4,421,374.00	$ -	$ 1,000,000.00	$ -	$ 3,421,374.00

NOTE: Column A must equal the previous year Statement of Indebtedness Outstanding Debt. Column F must equal this year's SOI Outstanding Debt Column.

CALCULATION OF AVAILABLE REVENUES

AGENCY NAME **Hayward Redevelopment Agency**

PROJECT AREA **Downtown Hayward Redevelopment Project Area**

TAX YEAR 2010-2011

RECONCILIATION DATES: JULY 1, 2009 TO JUNE 30, 2010

1.	Beginning Balance, Available Revenues (See Instructions) Adjustments made after previous SOI filed.	$ 4,011,162.00
2.	Tax Increment Received - Gross All Tax Increment Revenues, to including any Tax Increment passed through to other local taxing agencies	$ 10,180,652.00
3.	All other Available Revenues Received (See Instructions)	$ 626.00
4.	Revenues from any other source, included in Column E of the Reconciliation Statement, but not included in (1 - 3) above	$ -
5.	Sum of Lines 1 through 4	$ 14,192,440.00
6.	Total amounts paid against indebtedness in previous year. (D + E on Reconciliation Statement)	$ 10,183,059.00
7.	Available Revenues, End of Year (5 - 6)	$ 4,009,381.00

FORWARD THIS AMOUNT TO STATEMENT OF INDEBTEDNESS

NOTES

Tax Increment Revenues:

The only amount(s) to be excluded as Tax Increment Revenue are any amounts passed through to other local taxing agencies pursuant to Health and Safety Code Section 33676. Tax Increment Revenue set-aside in the Low and Moderate Income Housing Fund will be washed in the above calculation, and therefor omitted from Available Revenues at year end.

Item 4. above:

This represents any payments from any source other than Tax Increment OR available revenues. For instance, an agency funds a project with a bond issue. The previous SOI included a Disposition Development Agreement (DDA) which was fully satisfied with these bond proceeds. The DDA would be shown on the Reconciliation Statement as fully repaid under the "other" column (Col E), but with funds that were neither Tax Increment, nor "Available Revenues" as defined. The amounts used to satisfy this DDA would be included on line 4 above in order to accurately determine ending "Available Revenues".

Rev (5/2/94)

Reconciliation Statement - Description of Adjustments

Agency: **Hayward Redevelopment Agency**
Project Area: **Downtown Hayward Redevelopment Project Area**

Reconciliation Sheet page and line:	Description of Adjustment	Amount
Pg 1 Line A	Increase - Adjust set-aside relative to RDA outstanding debt	$ 1,637,200.00
Pg 1 Line C	Increase - Fiscal year accrued interest	$ 67,879.00
Pg 1 Line D	Increase - Fiscal year accrued interest	$ 9,377.00
Pg 1 Line E	Increase - Fiscal year accrued interest	$ 103,281.00
Pg 1 Line F	Increase - Accrue liabilities to other governmental agencies for pass through	$ 1,351,191.00
Pg 1 Line H	Increase - Adjust to year end payable estimate	$ 596,610.00
Pg 2 Line I	Increase - Record liability for SERAF	$ 4,421,374.00
Pg Line		
Pg Line		
Pg Line		
Pg Line		
Pg Line		
Pg Line		
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Pg Line		
Pg Line		
Pg Line		
Pg Line		
Pg Line		
Pg Line	Grand Total	$ 8,186,912.00

CITY OF
HAYWARD
HEART OF THE BAY

___7____

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Install Water Line at Golf Course Access Road Project: Award of Contract

RECOMMENDATION

That Council adopts the attached resolution awarding the contract to Platinum Pipeline, Inc. in the amount of $158,700.

BACKGROUND

On October 19, 2010, Council approved the plans and specifications for the Install Water Line at Golf Course Access Road Project and called for bids to be received on November 16, 2010. An existing 8-inch water main runs adjacent to Golf Course Road ending in front of Hangar "A" at the Hayward Airport. Another twelve-inch water line, which serves industrial customers on Corsair Boulevard, terminates at the Skywest Golf Course parking lot adjacent to the golf cart maintenance building. This project will construct approximately 2,100 feet of new 12-inch PVC pipe connecting the two existing water lines. The new water line will loop the system and increase fire suppression capacity for this area, as water can then be provided from the entire system, not just from either existing line. Furthermore, the project will enhance water quality by improving circulation and eliminating dead ends at the termination of the two existing lines.

The twelve-inch PVC pipe will be installed in the shoulder of Golf Course Road, about 5 feet from the fence separating the Hayward Airport and Skywest Golf Course. This will minimize the construction work to be done within the Airport's operational boundary, which is considered a secure area. Furthermore, by installing the water line at the shoulder of Golf Course Road, traffic disruption to the Skywest Golf Course will be minimal. The public will have full access to the golf course at all times during construction.

DISCUSSION

On November 16, 2010, the City received twenty-seven bids. This is an extraordinary number of bids and indicative of the current economic climate. Platinum Pipeline, Inc. submitted the low bid in the amount of $158,700, which is approximately 47% below the Engineer's Estimate of $300,000. Barry's Backhoe Service, Inc. submitted the second lowest bid in the amount of $164,800. The bids ranged from $158,700 to $328,600.

All bid documents and licenses are in order. Staff recommends award of contract to the low bidder, Platinum Pipeline, Inc. in the amount of $158,700.

FISCAL IMPACT

The estimated project costs are as follows:

Design (City)	$ 45,000
Construction	158,700
Inspection & Construction Survey	40,000
Trees Removal and Trimming (City)	10,000
Total:	$253,700

The FY 2011 Capital Improvement Program (CIP) includes $712,000 for the Install Water Line at Golf Course Access Road Project in the Water System Capital Improvement Fund. This amount included another segment of a water main which traversed the fairway. That segment is not included here and will be scheduled for construction in coordination with the Hayward Area Recreation District (HARD) when that agency schedules other maintenance work for the same area.

PUBLIC CONTACT

The construction work along Golf Course Road may have minor impacts on traffic to the Skywest Golf Course. However, traffic control will be in place to maintain full access to the golf course at all times. Prior to and during construction, staff will provide notices to Skywest Golf Course and Hayward Executive Airport to inform them of the project's work schedule, potential impacts, and City contacts for additional information. In addition, City staff will maintain personal contact with the airport and golf course general managers and invite them to the pre-construction meeting.

SCHEDULE

Award Contract	December 14, 2010
Begin Work	January 10, 2011
Complete Work	March 10, 2011

Prepared by: Alex Ameri, Deputy Director of Public Works

Recommended by: Robert A. Bauman, Director of Public Works

Approved by:

_____

Fran David, City Manager

Attachments:

Attachment I: Draft Resolution
Attachment II: Project Location Map

ATTACHMENT I

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-____

Introduced by Council Member _____

RESOLUTION AWARDING THE CONTRACT TO PLATINUM PIPELINE, INC. FOR THE INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD PROJECT, PROJECT NO. 7139

WHEREAS, by resolution on October 19, 2010, the City Council approved the plans and specifications for the Install Water Line at Golf Course Access Road Project, Project No. 7139, and called for bids to be received on November 16, 2010; and

WHEREAS, on November 16, 2010, 27 bids were received ranging from $158,700 to $328,600; Platinum Pipeline, Inc. of Dublin submitted the low bid in the amount of $158,700, which is 47 percent below the Engineer's Estimate of $300,000; and

NOW, THEREFORE, BE IT RESOLVED that Platinum Pipeline, Inc. is hereby awarded the contract for the Install Water Line at Golf Course Access Road Project, Project No. 7139, in accordance with the plans and specifications adopted therefor and on file in the office of the City Clerk of the City of Hayward, at and for the price named and stated in the final proposal of the hereinabove specified bidder, and all other bids are hereby rejected.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to execute an agreement with Platinum Pipeline, Inc., in the name of and for and on behalf of the City of Hayward, in an amount not to exceed $158,700, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____

City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____

City Attorney of the City of Hayward

INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
LOCATION MAP

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Platinum Pipeline PO Box 2429 Dublin, CA 94568 (925) 825-6565 (925)829-7575 Fax		Barry's Backhoe Service, Inc. 936 North P St Livermore, CA 94551 (925) 606-6967 (925) 447-2327 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	1,000.00	1,000.00	2,000.00	2,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	5,000.00	5,000.00	6,700.00	6,700.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	47.00	98,700.00	48.00	100,800.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,500.00	15,000.00	3,000.00	18,000.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	9,000.00	9,000.00	7,300.00	7,300.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**158,700.00**		**164,800.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Robert F. Enz Construction, Inc. 700 Park Center Dr Hollister, CA 95023 (831) 636-8179 (831) 636-8192 Fax		J&M, Inc. 6700 National Dr Livermore, CA 94550 (925) 724-0300 (925) 724-0160 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	5,000.00	5,000.00	488.00	488.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	6,000.00	6,000.00	4,468.00	4,468.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	51.00	107,100.00	57.00	119,700.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,600.00	15,600.00	2,077.00	12,462.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	3,000.00	3,000.00	1,100.00	1,100.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**166,700.00**		**168,218.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Lewis and Tibbitts, Inc. 1470 Industrial Ave San Jose, CA 95112 (408) 925-0220 (408) 925-0245 Fax		MDF Pipeline 7172 Regional St #307 Dublin, CA 94568 (925) 462-1440 (925) 462-1480 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	6,285.00	6,285.00	7,000.00	7,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	7,325.00	7,325.00	5,200.00	5,200.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	52.50	110,250.00	56.00	117,600.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	3,015.00	18,090.00	3,100.00	18,600.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	3,635.00	3,635.00	100.00	100.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**175,585.00**		**178,500.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		GradeTech Inc. PO Box 1728 San Ramon, CA 94583 (510) 733-0390 (510) 733-0389 Fax		Sanco Pipelines, Inc. 368 E. Campbell Ave, Suite 200 Campbell, CA 95008 (408) 377-2793 (408) 377-7405 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	10,000.00	10,000.00	6,000.00	6,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	7,000.00	7,000.00	10,000.00	10,000.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	61.00	128,100.00	56.00	117,600.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,000.00	12,000.00	2,500.00	15,000.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	250.00	250.00	10,000.00	10,000.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**187,350.00**		**188,600.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		D'Arcy & Harty Construction, Inc. 1300 Carroll Ave San Francisco, CA 94124 (415) 822-5200 (415) 822-0747 Fax		Stoloski & Gonzalez, Inc. 727 Main St Half Moon Bay, CA 94019 (650) 726-7119 (650) 726-9055 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	2,000.00	2,000.00	10,000.00	10,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	5,000.00	5,000.00	12,000.00	12,000.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	66.60	139,860.00	63.00	132,300.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,000.00	12,000.00	2,000.00	12,000.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	1,000.00	1,000.00	1,500.00	1,500.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**189,860.00**		**197,800.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Mountain Cascade, Inc. 555 Exchange Ct Livermore, CA 94550 (925) 373-8370 (925) 373-0940 Fax		Northern Underground Const, Inc. 334 Mustang St San Jose, CA 95123 (408) 363-8028 (408) 363-8029 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	5,000.00	5,000.00	4,465.00	4,465.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	1,000.00	1,000.00	4,454.00	4,454.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	70.00	147,000.00	68.00	142,800.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,500.00	15,000.00	3,987.00	23,922.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	3,000.00	3,000.00	579.00	579.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**201,000.00**		**206,220.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		LEGG, Inc. 2551 2nd St Livermore, CA 94550 (925) 605-4500 (925) 605-4510 Fax		Ghilotti Construction Company, Inc. 246 Ghilotti Ave Santa Rosa, CA 95407 (707) 585-1221 (707) 585-1601 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	11,593.17	11,593.17	1,000.00	1,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	7,113.83	7,113.83	8,700.00	8,700.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	57.65	121,065.00	72.50	152,250.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,870.40	17,222.40	2,500.00	15,000.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	19,847.10	19,847.10	1.00	1.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**206,841.50**		**206,951.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		KJ Woods Construction 1485 Bayshore Blvd #149 San Francisco, CA 94124 (415) 759-0506 (415) 468-1359 Fax		TerraCon Pipelines, Inc. 150 Alexander Valley Rd Healdsburg, CA 95448 (707) 433-0323 (707) 433-0314 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	5,000.00	5,000.00	7,059.00	7,059.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	11,000.00	11,000.00	22,027.00	22,027.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	70.00	147,000.00	64.00	134,400.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,300.00	13,800.00	2,840.00	17,040.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	1,200.00	1,200.00	532.00	532.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**208,000.00**		**211,058.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Bay Pacific Pipelines PO Box 1162 Novato, CA 94948 (415) 897-6958 (415) 897-1409 Fax		Ranger Pipelines, Inc. PO Box 24109 San Francisco, CA 94124 (415) 822-3700 (415) 822-3703 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	2,500.00	2,500.00	2,500.00	2,500.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	2,500.00	2,500.00	11,000.00	11,000.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	80.00	168,000.00	76.00	159,600.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	1,500.00	9,000.00	2,305.00	13,830.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	0.00 *	0.00	200.00	200.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**	**	**212,000.00**		**217,130.00**

* No Unit Price/Total Listed
** Total Bid Correction

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Soares Pipeline, Inc. 18550 Melrose Ave Hayward, CA 94541 (510) 278-7850 (510) 278-1227 Fax		Star Construction, Inc. 240 Allen Dr San Bruno, CA 94066 (650) 738-0485 (650) 359-7763 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	2,000.00	2,000.00	8,000.00	8,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	5,500.00	5,500.00	35,000.00	35,000.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	80.00	168,000.00	66.00	138,600.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,700.00	16,200.00	800.00	4,800.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	200.00	200.00	8,000.00	8,000.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**221,900.00**		**224,400.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Able General Engineering, Inc. 5715 Sebastopol Ave Sebastopol, CA 95472 (707) 823-1580 (707) 823-1586 Fax		Reber Construction PO Box 273 Santa Cruz, CA 95061 (831) 429-9777 (831) 429-0102 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	9,029.61	9,029.61	15,600.00	15,600.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	17,715.38	17,715.38	16,000.00	16,000.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	73.20	153,720.00	63.94	134,274.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,698.47	16,190.82	5,066.66 *	30,399.96
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	20.00	20.00	5,600.00	5,600.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**226,675.81**	**	**231,873.96**

* Unit Total Correction
** Total Bid Correction

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Sierra Equipment 8176 County Rd 44 Glenn, CA 95943 (530) 934-2096 (530) 934-2247 Fax		D & D Pipelines, Inc. 629 Divisadero St San Francisco, CA 94117 (415) 441-2006 (415) 441-2491 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	14,711.89	14,711.89	5,000.00	5,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	21,000.00	21,000.00	20,000.00	20,000.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	76.23	160,083.00	86.00	180,600.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	3,154.69	18,928.14	1,500.00	9,000.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	1,442.72	1,442.72	2,000.00	2,000.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**246,165.75**		**246,600.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		Ortiz Construction, Inc. 4507 Recreation Rd Castro Valley, CA 94552 (510) 538-9464 (510) 538-2870 Fax		Hernandez Engineering 2601 Mission St #215 San Francisco, CA 94110 (415) 824-4731 (415) 824-4696 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	5,000.00	5,000.00	15,000.00	15,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	4,000.00	4,000.00	8,000.00	8,000.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	90.95	190,995.00	98.00	205,800.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	2,500.00	15,000.00	3,000.00	18,000.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	2,000.00	2,000.00	3,000.00	3,000.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**246,995.00**		**279,800.00**

CITY OF HAYWARD
CONSTRUCTION OF INSTALL WATER LINE AT GOLF COURSE ACCESS ROAD
PROJECT NO. 622-7139
BIDS OPENED: NOVEMBER 16, 2010

(NUMBER OF BIDS RECEIVED - 27)

BID SUMMARY				ENGINEER'S ESTIMATE		W. R. Forde Associates 984 Hensley St Richmond, CA 94801 (510) 215-9338 (510) 215-9867 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	TRAFFIC CONTROL	5,000.00	5,000.00	4,000.00	4,000.00
2	1	LS	MOBILIZATION AND DEMOBILIZATION	10,000.00	10,000.00	10,000.00	10,000.00
3	2,100	FT	12" WATER PIPE (PVC)	110.00	231,000.00	126.00	264,600.00
4	6	EA	GATE VALVES	3,800.00	22,800.00	3,000.00	18,000.00
5	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	2,000.00	2,000.00
6	1	LS	ADMINISTRATIVE CHANGE ORDERS	30,000.00	30,000.00	30,000.00	30,000.00
			TOTAL		**299,800.00**		**328,600.00**

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Summary Vacation of a Portion of Whitman Street

RECOMMENDATION

That Council adopts the attached Resolution pertaining to the summary vacation of a portion of Whitman Street.

BACKGROUND

In 1974, Whitman Street was widened and realigned, leaving an easterly portion unused for right-of-way purposes. More specifically, the portion of Whitman Street to be vacated is located behind the sidewalk on the easterly side just north of Tennyson Road. This portion, approximately 4,164 square feet, is no longer needed for public street right-of-way purposes (see Attachment I-b). Although there are no sanitary sewer mains or storm drain lines within the proposed vacation, there is an existing water main that the City will relocate to the previously realigned right-of-way of Whitman Street. Once vacated, this area of Whitman Street will revert back to the adjacent property owner.

DISCUSSION

The adjacent property owner has submitted a request for the City to vacate a portion of Whitman Street, including the water line easement, so that they can develop a larger parcel configuration. Based on a proposed plan reviewed by Planning staff, the property owner is proposing to subdivide this piece of land into two parcels of approximately 6,960 square feet and 11,000 square feet, respectively, for construction of two single family dwellings.

The proposed vacation conforms to the general guidelines of the General Plan, which calls for improving the local economy, increasing the tax base, and generating public revenue. The vacation will return the unused land on Whitman Street to the adjoining landowner for use in its planned development, eliminate the need for ongoing cleanup and maintenance by the City, and will return the area to the public tax roll.

Under California Environmental Quality Act Guidelines (CEQA), Section 15305, Class 5, Minor Alterations of Land Use Limitations and City Guidelines, the vacation of excess right-of-way is exempt from the application of CEQA.

FISCAL AND ECONOMIC IMPACT

Staff has negotiated a sales price in the amount of $45,000 from the adjoining property owner for the portion of land to be vacated. As noted earlier, City crews will relocate the existing water main into the previously realigned right-of-way of Whitman Street. The cost for this work is estimated at $25,000. Therefore, staff estimates the total net revenue to the City from this sale to be $20,000. As with other sales of excess right of way, this $20,000 will be deposited in the General Capital Improvement Fund. There will also be additional property tax revenue generated once the land reverts back to the adjoining property owner and the area is developed.

PUBLIC CONTACT

This action qualifies as a summary vacation as defined under the California Streets and Highways Code Section 8334 (a) based on the fact that this portion of Whitman Street is not being utilized as intended. Therefore, a public hearing is not required.

NEXT STEPS

The effective date of the vacation will be when the Resolution of Vacation adopted by Council is filed for recordation with the Alameda County Recorder.

Prepared by: Morad Fakhrai, Deputy Director of Public Works

Recommended by: Robert A. Bauman, Director of Public Works

Approved by:

Fran David, City Manager

Attachments:

Attachment I: Resolution for Vacation
- I-a: Vacation Legal Description
- I-b: Plat of Vacation

Attachment II: Vicinity Map

ATTACHMENT I

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-_____

Introduced by Council Member _____

RESOLUTION SUMMARILY VACATING A PORTION OF WHITMAN STREET

WHEREAS, a portion of Whitman Street, located at the intersection of Whitman Street and Tennyson Road, is no longer needed for public street right-of-way purposes; and

WHEREAS, the excess right-of-way to be vacated contains approximately 4,164 square feet; and

WHEREAS, once vacated, the existing water main will be abandoned or removed and the property will sold to the adjacent property owner; and

WHEREAS, vacation of excess right-of-way is categorically exempt under the California Environmental Quality Act Guidelines (CEQA), Section 15305, Class 5, Minor Alterations of Land Use Limitations, and qualifies as a summary vacation as defined under California Streets and Highways Code Section 8334(a).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that, pursuant to California Streets and Highways Code section 8334(a), it is hereby ordered that the portion of the street right-of-way of Whitman Street as more described in Exhibit "A" to this resolution, attached hereto and made a part hereof, is hereby vacated and the City Clerk is authorized and directed to cause a certified copy of this resolution to be recorded in the office of the County Recorder of Alameda.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

EXHIBIT "A"

LEGAL DESCRIPTION

VACATED PORTION OF
WHIMAN STREET

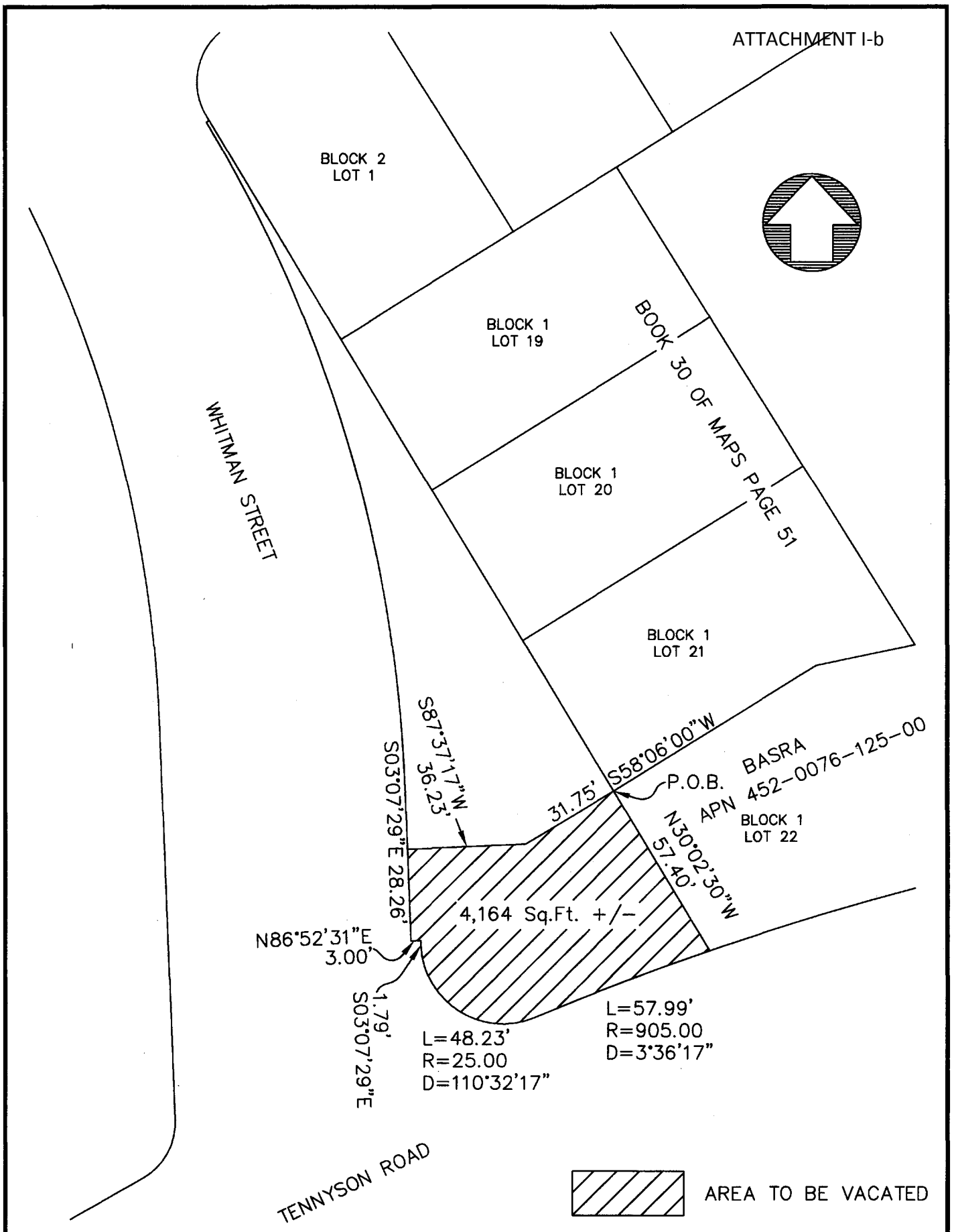
REAL property in the City of Hayward, county of Alameda, state of California, described as follows:

PORTION of Whitman Street as shown on Tract Map 996 filed March 8, 1950 in Book 30 of Maps, Pages 51 & 52 in the Official Records of Alameda County in the Office of the County Recorder, described as follows:

BEGINNING at the north west corner of Lot 22 Block 1 of Tract Map 996 filed in Book 30 of Maps, Pages 51 & 52 in the Office of the Recorder of Alameda County, this point being on the eastern Right of Way of Whitman Street as shown on said map; thence leaving said right of way South 58°06'00" West 31.75 feet; thence South 87°37'17" West 36.23 feet; thence South 3°07'29" East 28.26 feet; thence North 86°52'31" East 3.00 feet; thence South 3°07'29" East 1.79 feet to a curve having a radius of 25.00 feet; thence through said curve to the left through a central angle of 110°32'17" an arc length of 48.23 feet to a point of reverse curve having a radius of 905.00 feet; thence through said curve through a central angle of 3°36'17" an arc length of 57.99 feet to a point 57.40 feet distant from the point of beginning; thence North 30°02'30" West 57.40 feet to the POINT OF BEGINNING.

CONTAINING 4,164 square feet, more or less as shown on Drawing Number 10010, attached hereto and made a part hereof.

ATTACHMENT I-b



REV	DATE	BY	CITY OF HAYWARD ENGINEERING DIVISION		VACATION OF PORTION OF WHITMAN STREET 166	DWG. NO. 10010
			DRAWN BY: BDS	DATE 10-28-10		FILED
			CHECKED BY: BDS	SCALE: 1"=40'		
			APPD. BY	APPROVED		SHT. 1 OF 1
			CITY ENGINEER	DIR. PUBLIC WORKS		

VICINITY MAP

CITY OF HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT: Utility Service Agreement (USA 10-02) – Joginder Nagra (Owner/Applicant) – Authorize the City Manager to File an Application with the Alameda County Local Agency Formation Commission (LAFCo) for Approval of an Out-of-Service Area Agreement and to Negotiate and Execute a Utility Service Agreement and a Public Street Improvement Agreement Related to a Request for Sewer Service at 187 Laurel Avenue in the Cherryland Area of Unincorporated Alameda County

RECOMMENDATION

That the City Council adopts the attached resolution (Attachment I) authorizing the City Manager to file an application with the Alameda County Local Agency Formation Commission (LAFCo) for approval of an out-of-service area agreement, and upon receiving LAFCo's approval, execute Utility Service Agreement No. 10-02 and a Public Street Improvement Agreement related to providing sewer service for the property at 187 Laurel Avenue (Assessor's Parcel Number 431-0016-115-00).

DISCUSSION

On July 13, 2009, the property owner applied for a building permit to construct a new two-story single-family dwelling unit, with four bedrooms and three baths, on Lot No.2 of Parcel Map 8185. As stipulated in the Conditions of Approval, issued on September 2, 2010, by the Alameda County Building Inspection Department, the property must connect to the City of Hayward's 12-inch sewer main in Laurel Avenue. The property is located within the City of Hayward's Sphere of Influence and Sewer Service Area (see Attachment II). The City's 12-inch main, installed circa 1930, is located within 200 feet and along the frontage of the subject property. This sewer main has capacity to accept additional waste discharge.

City policy allows parcels located in the unincorporated portion of the County to connect to the City sewer system when either the Alameda County Building Inspection Department or the Alameda County Department of Environmental Health determines that such connection is warranted under County regulations. Furthermore, State law requires that a city file a resolution authorizing an application to the applicable LAFCo for approval of an out-of-area service agreement prior to

providing utility connections/service by that city for properties located within its Sphere of Influence, but outside its jurisdictional boundaries.

Pursuant to the City's practice for providing utility services to properties outside Hayward's jurisdictional boundaries, the owner has signed a Public Street Improvement Agreement committing to install roadway improvements and pavement tie-in along Laurel Avenue at a future date and agreeing to a future annexation of the property, if and when requested by the City. Laurel Avenue is in fair condition and contains Portland cement concrete curb, gutter, and sidewalk improvements on both sides. Requiring such an agreement is consistent with past practice.

Approval of a utility service agreement and related connection is not subject to environmental review, pursuant to Section 15061(b) (3) of the California Environmental Quality Act (CEQA) Guidelines. Section 15061(b) (3) states that a project is exempt from CEQA if, "the activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA."

FISCAL IMPACT

There will be no fiscal impact to the City's General Fund. The owners will pay into the City's Enterprise Fund for all the expenditures, added maintenance costs, and applicable fees associated with the sewer service, in accordance with the City's fee schedule in effect at the time of issuance of the utility service permits.

PUBLIC CONTACT

A public hearing is not required for the filing of a utility service agreement. Staff also sent a copy of this report to the owner.

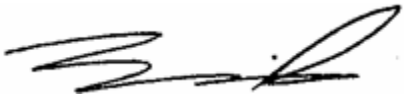
NEXT STEPS

Should the Council authorize filing an application with LAFCo, staff will submit an application within the next 30 days so that this utility service agreement can be presented at LAFCo's March 10, 2011, hearing. Upon receiving LAFCo approval, the agreements will be executed and the property owner can commence the sewer connection upon receiving payment of the applicable sewer fees.

Prepared by: John Nguyen, P.E., Development Review Engineer

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Fran David, City Manager

Attachments:

Attachment I Draft Resolution
Attachment II Project Location Map

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-__

Introduced by Council Member_____

RESOLUTION AUTHORIZING THE CITY MANAGER TO APPLY TO THE ALAMEDA COUNTY LOCAL AGENCY FORMATION COMMISSION FOR APPROVAL TO ALLOW THE CITY TO PROVIDE SEWER SERVICE TO PROPERTY LOCATED AT 187 LAUREL AVENUE, AND FURTHER AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE UTILITY SERVICE (USA 10-02) AND PUBLIC STREET IMPROVEMENTS AGREEMENTS

WHEREAS, sanitary sewer service from the City of Hayward (City) has been requested by the owner of the property located at 187 Laurel Avenue, Assessor's Parcel No. 431-0016-115-00 (the Property); and

WHEREAS, the Property is located within the City of Hayward's Sphere of Influence; and

WHEREAS, pursuant to City policy, the Property owner has signed Public Street Improvements and Utility Service Agreements to install street improvements across the Property frontage at a future date and to agree to annexation of the Property into Hayward when requested by the City; and

WHEREAS, the City is required to apply to the Alameda County Local Agency Formation Commission (LAFCO) for approval of out-of-service area agreements to allow the City of Hayward to provide sewer service to properties located outside the City limits; and

WHEREAS, the Property owner has agreed to pay the LAFCO application processing costs; and

WHEREAS, a utility service agreement and related connection is not subject to environmental review, pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is authorized to file an application with the Alameda County Local Agency Formation Commission requesting that the City of Hayward be allowed to provide sewer service for the Property.

BE IT FURTHER RESOLVED that, provided LAFCO approves an out-of-area service agreement pursuant to Government Code §56133, the City Manager is also authorized to execute a utility service agreement (Utility Service Agreement 10-02) and a public street improvement

agreement in the form of the agreements on file in the office of the City Clerk, to which reference may be made for further particulars.

IN COUNCIL, HAYWARD, CALIFORNIA_____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

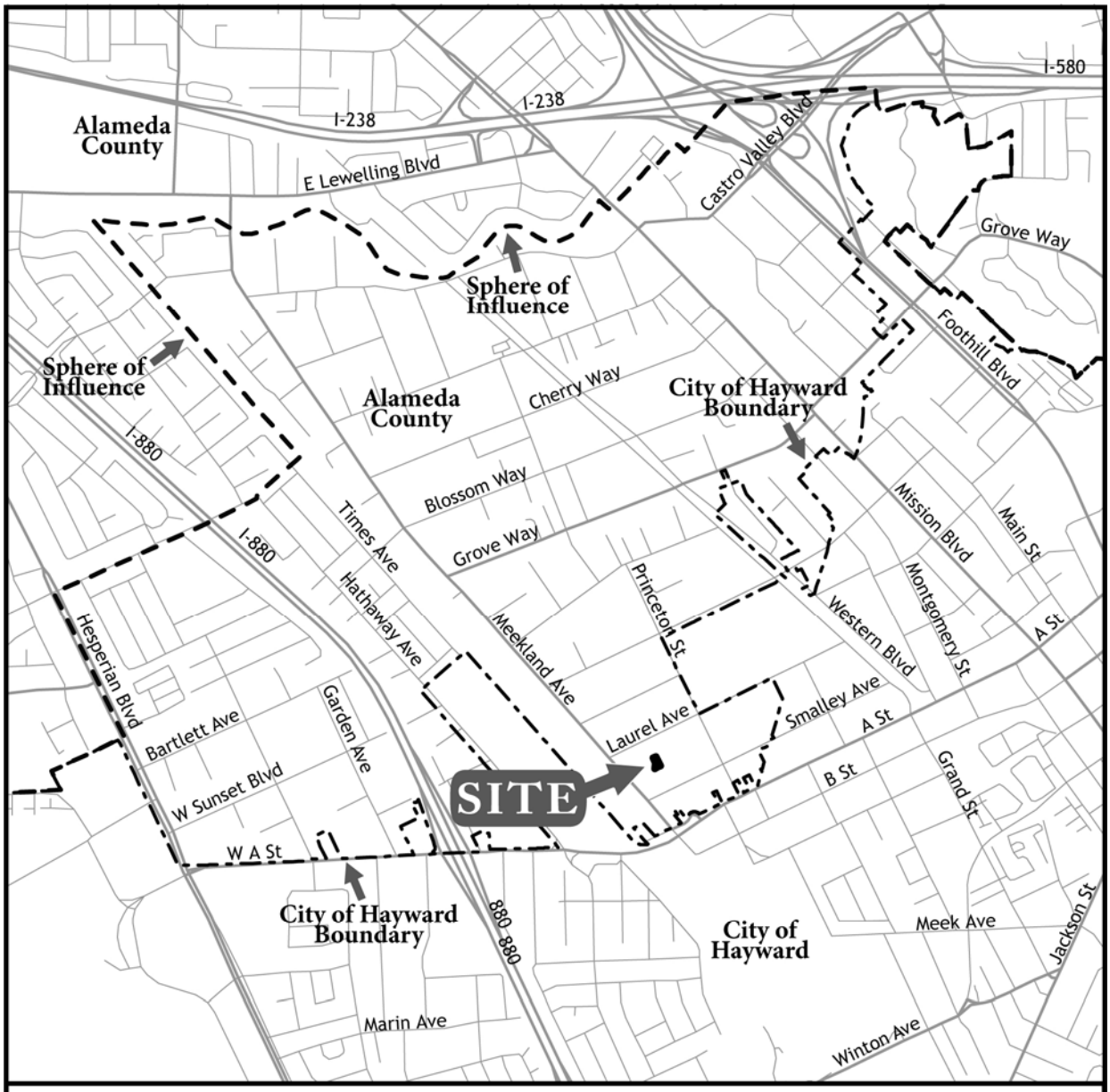
ABSENT: COUNCIL MEMBERS:

ATTEST:

_____
Miriam Lens, City Clerk

APPROVED AS TO FORM:

_____
Michael Lawson, City Attorney



Project Location

PL-2010-0375 USA 10-02

187 Laurel Avenue

FEET 2000 4000

N

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Human Resources Director

SUBJECT: Adoption of Positions and Salaries Schedule for Fiscal Year 2011 and Amendment of the Fiscal Year 2011 Allocated Positions

RECOMMENDATION

That the City Council adopts a Resolution approving the Positions and Salaries Schedule for Fiscal Year 2011, which designates positions of employment in the City government of the City of Hayward, provides the number of authorized personnel in each position and corresponding salary range as of July 2010, and supersedes Resolution No. 09-113 and all amendments thereto.

BACKGROUND

Sections 2-4.30 and 2-4.31 of the Hayward Municipal Code specify that the Human Resources Director shall prepare a salary plan annually for City Council approval. The Plan lists all positions of employment in the City, the number authorized, and the salary associated with each position. Attachment A is the Positions and Salaries Schedule for FY 2011.

DISCUSSION

The City Council recently adopted the FY 2011 budget that sets forth the number and title of positions allocated to each department. There are approved Memoranda of Understanding (MOU) and Side Letters of Agreements in place for all bargaining units, as well as a Salary and Benefits Resolution for Unrepresented Management employees, all of which remain in effect for the duration of Fiscal Year 2011. The MOUs, Side Letters of Agreement and the Salary and Benefit Resolution set forth annual salaries for all classifications covered under the respective MOUs and the Resolution.

Staff prepared Attachment A as required by the Municipal Code. The document compiles the positions and salary information from each of the documents mentioned above, including unrepresented, appointed and elected positions as approved by the City Council. Staff has identified changes to the classification plan since the budget adoption in June 2010. Any changes to the number of positions and/or creation of new classifications following the budget adoption require City Council approval.

Summary of Staffing Changes

In addition to negotiated changes in salaries, the following changes have been approved or are recommended by the City Manager and are reflected in the attached Position and Salaries Schedule for Fiscal Year 2010-2011:

1) One (1) Senior Community Preservation Inspector to be reclassified to a Community Preservation Supervisor in the Neighborhood Partnership Division of the City Manager's Office. The hourly salary range for the Senior Community Preservation Inspector is $36.15 to $43.95. The hourly salary range for the Community Preservation Supervisor is $39.77 to $48.35.
2) One (1) Administrative Clerk II to be upgraded to Permit Technician in the Building Division of the Development Services Department. The hourly salary range of Administrative Clerk II is $22.71 to $26.95 and the hourly salary range for Permit Technician is $28.85 to $33.85. This change is based on an audit of positions following a vacancy in the Permit Center.
3) One (1) Equipment Mechanic II to be reclassified to a Senior Equipment Mechanic in the Fleet Management Division of the Maintenances Services Department. The hourly salary range for the Equipment Mechanic II is $29.49 to $35.82. The hourly salary range for the Senior Equipment Mechanic is $32.42 to $39.40.
4) One (1) Administrative Secretary Confidential to be reclassified to Executive Assistant in the Mayor's office. The hourly salary range for the Administrative Secretary Confidential is $32.17 to $37.53 and for the Executive Assistant it is $34.79 to $41.41.
5) Upgrade an Intern to a Noise Abatement Analyst in the Airport Division of the Public Works Department. The intern hourly salary is $15.00. The hourly salary range for the Noise Abatement Analyst is $27.79 to $33.75.
6) Alignment of the salary of the Information Technology Services Director with other Directors. The previous hourly salary range was $64.03 to $77.82 and the current range is $66.57 to $81.00 per hour. This salary has been artificially lower than the target range for all other Director positions and should be brought to the same standard for equity and consistency.

There are no net changes in the total number of positions from the adopted Fiscal Year 2010-2011 budget.

ECONOMIC IMPACT

There is no direct economic impact on Hayward residents associated with this report**.** However, it should be noted that items #1 and #2 above, will add to the more effective and efficient abatement of code violations and the processing of permits at the Permit Counter respectively.

FISCAL IMPACT

Adoption of the Resolution to accept the Positions and Salaries Schedule with the above salary changes has an additional annual fiscal impact of approximately $111,379 in salaries and benefits, which will not require any budget adjustments because the costs will be offset by salary savings as a result of vacancies in positions, which are approved in the Fiscal Year 2011 budget. All other

positions and salaries have been approved in the Fiscal Year 2011 budget or through the negotiations process. Any negotiated salary or benefit changes have been approved and are accounted for in the adopted budget document.

PUBLIC CONTACT

In accordance with Hayward Municipal Code 2.312, the Personnel and Affirmative Action Commission has reviewed the proposed changes at a special meeting on December 2, 2010 and recommends approval.

Prepared by: Fran Robustelli, Human Resources Director

Approved by:

_____

Fran David, City Manager

Attachments: Attachment I: Positions and Salaries Schedule
Attachment II: Draft Resolution

ATTACHMENT II

# of Pos.	Class Title	P.T.	Hourly Salary Range A	B	C	D	E	Job Code
	CITY ATTORNEY DEPARTMENT							
1	CITY ATTORNEY						86.54	1216
3	ASSISTANT CITY ATTORNEY		59.90	62.84	66.00	69.35	72.82	1134
	OR DEPUTY CITY ATTORNEY II		42.00	44.05	46.29	48.60	50.95	1179
	OR DEPUTY CITY ATTORNEY I		34.58	36.31	38.15	40.03	42.00	1178
2	LEGAL SECRETARY II		28.89	30.57	32.87	33.56	35.29	416
	OR LEGAL SECRETARY I		26.02	27.39	28.83	30.38	32.00	415
	RISK MANAGEMENT PROGRAM							
2	ASSISTANT CITY ATTORNEY		59.90	62.84	66.00	69.35	72.82	1134
	OR DEPUTY CITY ATTORNEY II		42.00	44.05	46.29	48.60	50.95	1179
	OR DEPUTY CITY ATTORNEY I		34.58	36.31	38.15	40.03	42.00	1178
1	LEGAL SECRETARY II		28.89	30.57	32.87	33.56	35.29	416
	OR LEGAL SECRETARY I		26.02	27.39	28.83	30.38	32.00	415
	CITY CLERK DEPARTMENT							
	OFFICE OF THE CITY CLERK							
1	CITY CLERK		45.11	47.39	49.75	52.22	54.84	1225
1	DEPUTY CITY CLERK		32.65	34.24	35.98	37.77	39.66	747
2	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
	CITY MANAGER DEPARTMENT							
	CDBG SUMMARY							
1	ECONOMIC DEVELOPMENT COORDINATOR		50.90	53.38	56.01	58.90	61.77	711
	ECONOMIC DEVELOPMENT							
1	ECONOMIC DEVELOPMENT MANAGER		56.51	59.27	62.29	65.35	68.67	709
	NEIGHBORHOOD PARTNERSHIP SVCS							
1	NEIGHBORHOOD DEVELOPMENT MANAGER		56.51	59.27	62.29	65.35	68.67	799
1	NEIGHBORHOOD PARTNERSHIP MANAGER		50.90	53.38	56.01	58.90	61.77	703
1	SR.COMMUNITY PRESERVATION INSPECTOR		36.15	37.96	39.86	41.84	43.95	620
5	COMMUNITY PRESERVATION INSPECTOR		32.22	33.83	35.55	37.35	39.24	617
1	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
	OFFICE OF THE CITY MANAGER							
1	CITY MANAGER						103.58	1297
1	ASSISTANT CITY MANAGER		73.94	77.62	81.56	85.60	89.61	1122
1	EXECUTIVE ASSISTANT		34.79	36.39	38.03	39.66	41.41	418
	REDEVELOPMENT AGENCY							
1	REDEVELOPMENT DIRECTOR		56.51	59.27	62.29	65.35	68.67	795
2	REDEVELOPMENT PROJECT MANAGER		50.90	53.38	56.01	58.90	61.77	794
1	HOUSING MANAGER		50.90	53.38	56.01	58.90	61.77	726
1	HOUSING DEVELOPMENT SPECIALIST		40.53	42.57	44.65	46.92	49.21	674
1	COMMUNITY PROGRAMS SPECIALIST		37.35	39.29	41.29	43.32	45.44	670
2	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102

	DEVELOPMENT SVCS DEPARTMENT							
	BUILDING DIVISION							
1	CITY BUILDING OFFICIAL		56.51	59.27	62.29	65.35	68.67	740
1	SUPERVISING HOUSING INSPECTOR		48.01	50.47	52.88	55.54	58.31	748
1	SUPERVISING BUILDING INSPECTOR		48.01	50.47	52.88	55.54	58.31	741
1	PLAN CHECKING ENGINEER		46.81	49.08	51.55	54.23	57.00	610
1	SR. BUILDING INSPECTOR/STRUCTURAL		40.04	42.17	44.30	46.40	48.71	663
1	SR. BUILDING INSPECTOR/PLUM-MECH.		40.04	42.17	44.30	46.40	48.71	659
1	SR. BUILDING INSPECTOR/ELECTRICAL		40.04	42.17	44.30	46.40	48.71	658
1	SENIOR PLAN CHECKER		40.04	42.17	44.30	46.40	48.71	611
2	PLAN CHECKER		36.41	38.33	40.27	42.19	44.29	609
4	BUILDING INSPECTOR		34.57	36.19	38.04	39.97	42.59	656
3	HOUSING INSPECTOR		31.64	33.20	34.83	36.60	38.42	660
1	SENIOR PERMIT TECHNICIAN		31.66	32.96	34.24	35.74	37.56	179
3	PERMIT TECHNICIAN		28.55	29.69	30.88	32.21	33.85	180
1	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
	DEVELOPMENT SERVICE ADMIN							
1	DEVELOPMENT SERVICES DIRECTOR		66.57	69.92	73.44	77.13	81.00	1116
1	ADMINISTRATIVE ANALYST II		38.44	40.32	42.29	44.43	46.65	724
	OR ADMINISTRATIVE ANALYST I		36.35	37.85	38.84	40.78	42.42	744
1	1 ADMINISTRATIVE SECRETARY		30.62	31.89	33.14	34.38	35.76	108
	PLANNING DIVISION							
1	PLANNING MANAGER		56.51	59.27	62.29	65.35	68.67	797
1	DEVELOPMENT REVIEW ENGINEER		49.22	51.64	54.23	56.98	59.79	781
2	SENIOR PLANNER		45.54	47.80	50.24	52.72	55.34	796
3	ASSOC PLANNER		40.65	42.64	44.77	47.07	49.32	650
1	DEVELOPMENT REVIEW SPECIALIST		35.54	37.27	39.29	41.22	43.32	604
1	GRAPHICS/PLANNING ILLUSTRATOR	0.50	28.12	29.48	31.04	32.59	34.17	627
5	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
	FINANCE DEPARTMENT							
	ACCOUNTING DIVISION							
1	ACCOUNTING MANAGER		45.36	47.61	50.00	52.49	55.11	730
1	SENIOR ACCOUNTANT		41.24	43.31	45.42	47.73	50.07	749
2	SENIOR ACCOUNTING TECHNICIAN		31.24	32.78	34.38	36.11	37.94	100
1	ACCOUNTING TECHNICIAN		28.39	29.82	31.28	32.83	34.49	140
3	SENIOR ACCOUNT CLERK		26.11	27.38	28.56	29.95	31.34	156
1	FINANCIAL OPERATIONS MANAGER							731
	FINANCE ADMINISTRATION DIVISIO							
1	DIRECTOR OF FINANCE		69.56	73.03	76.71	80.58	84.62	1118
1	BUDGET ADMINISTRATOR		45.36	47.61	50.00	52.49	55.11	700
1	1 ADMINISTRATIVE SECRETARY		30.62	31.89	33.14	34.38	35.76	108
	PURCHASING DIVISION							
1	PURCHASING & SERVICES MANAGER		47.23	49.59	52.07	54.67	57.40	739
1	PURCHASING ASSISTANT		28.03	29.18	30.33	31.46	32.68	111
1	MAIL & PURCHASING CLERK		21.55	22.63	23.69	24.92	26.15	112
	REVENUE DIVISION							
1	ADMINISTRATIVE ANALYST II		38.44	40.32	42.29	44.43	46.65	724
	OR ADMINISTRATIVE ANALYST I		36.35	37.85	38.84	40.78	42.42	744
1	SENIOR ACCOUNTING TECHNICIAN		31.24	32.78	34.38	36.11	37.94	100
1	ACCOUNTING TECHNICIAN		28.39	29.82	31.28	32.83	34.49	140
3	SENIOR CUSTOMER ACCOUNT CLERK		26.11	27.38	28.56	29.95	31.34	130
5	CUSTOMER ACCOUNT CLERK		23.80	24.84	26.02	27.22	28.58	125
2	CUSTOMER ACCOUNT CLERK	0.75	23.80	24.84	26.02	27.22	28.58	125

	FIRE DEPARTMENT						
	ADMINISTRATION DIVISION						
1	FIRE CHIEF	74.32	77.95	81.85	85.85	89.86	1101
1	ADMINISTRATIVE SECRETARY	30.62	31.89	33.14	34.38	35.76	108
1	SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102
	OPERATIONS DIVISION						
2	DEPUTY FIRE CHIEF (40 HR)	66.16	69.37	72.78	76.37	80.19	1006
1	FIRE TRAINING OFFICER (40 HR)	59.98	62.98	66.13	69.44	72.91	1007
1	EMERGENCY MEDICAL SERVICES COORD.	43.01	45.22	47.48	49.84	52.32	710
6	BATTALION CHIEF (56 HR)	39.05	41.01	42.99	45.10	47.34	1004
	OR BATTALION CHIEF (40 HR)	54.67	57.43	60.22	63.18	66.28	1005
33	FIRE CAPTAIN (56 HR)			35.57	37.26	39.13	245
	OR FIRE CAPTAIN (40 HR)			49.79	52.16	54.77	246
33	APPARATUS OPERATOR (56 HR)	28.52	29.93	31.41	32.92	34.60	220
	OR APPARATUS OPERATOR (40 HR)	39.93	41.90	44.35	46.10	48.40	221
41	FIREFIGHTER (56 HR)	26.91	28.22	29.65	31.08	32.62	215
	OR FIREFIGHTER (40 HR)	37.69	39.50	41.51	43.46	45.66	216
	OR FIREFIGHTER TRAINEE (40 HR)	34.26	35.91				973
1	SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102
1	MAIL CLERK			12.47	13.12	13.76	134
	SPECIAL OPERATIONS						
1	FIRE MARSHAL (40 HR)	60.14	63.17	66.23	69.50	72.90	1003
2	STAFF FIRE CAPTAIN (40 HR)			54.76	57.40	60.26	244
1	HAZARDOUS MATERIALS PROG. COORD.	48.01	50.47	52.88	55.54	58.31	705
1	FIRE PROTECTION ENGINEER	46.81	49.08	51.55	54.23	57.00	640
1	ADMINISTRATIVE ANALYST III	42.66	44.77	47.06	49.38	51.83	723
2	FIRE PREVENTION INSP. (40 HR)	42.24	44.26	46.48	48.70	51.14	230
	OR FIRE PREVENTION INSP. (56 HR)	30.15	31.61	33.20	34.78	36.53	231
2	HAZARDOUS MATERIALS INVESTIGATOR	39.45	41.42	43.49	45.67	47.93	676
2	PERMIT TECHNICIAN	28.55	29.69	30.88	32.21	33.85	180
1	SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102
	HUMAN RESOURCES DEPARTMENT						
	HUMAN RESOURCES ADMINISTRATION						
1	HUMAN RESOURCES DIRECTOR	66.57	69.92	73.44	77.13	81.00	1119
1	HUMAN RESOURCES MANAGER	42.98	45.13	47.39	49.76	52.25	1156
3	3 HUMAN RESOURCES ANALYST II	35.72	37.47	39.34	41.33	43.36	1177
	OR HUMAN RESOURCES ANALYST I	29.52	30.99	32.61	34.23	35.97	1176
1	HR ADMINISTRATIVE SECRETARY	32.17	33.49	34.81	36.09	37.53	1175
1	HUMAN RESOURCES TECHNICIAN	27.20	28.65	30.13	31.72	33.40	1174
	WORKERS COMPENSATION ADMIN.						
1	HUMAN RESOURCES ANALYST II	35.72	37.47	39.34	41.33	43.36	1177
1	HUMAN RESOURCES TECHNICIAN	27.20	28.65	30.13	31.72	33.40	1174
	LIBRARY & COMMUNITY SERVICES						
1	PARATRANSIT COORDINATOR	35.60	37.39	39.19	41.18	43.20	664
	CDBG SUMMARY						
1	SOCIAL SERVICES PLANNING MANAGER	50.90	53.38	56.01	58.90	61.77	785
1	COMMUNITY PROGRAMS SPECIALIST	37.35	39.29	41.29	43.32	45.44	670
1	PROPERTY REHABILITATION SPECIALIST	37.35	39.29	41.29	43.32	45.44	665

	COMMUNITY BLOCK GRANT DIVISION							
1	SR PROPERTY REHABILITATION SPECIALIST		41.08	43.21	45.41	47.64	49.97	673
1	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
	LIBRARY & COMMUNITY SVCS ADM							
1	LIBRARY & COMMUNITY SERVICES DIRECTOR		66.57	69.92	73.44	77.13	81.00	1120
1	ADMINISTRATIVE SECRETARY		30.62	31.89	33.14	34.38	35.76	108
1	LIBRARY ASSISTANT		21.06	22.04	23.03	24.09	25.22	187
	LIBRARY SERVICES DIVISION							
1	1 LIBRARY OPERATIONS MANAGER		35.65	37.48	39.50	41.58	43.76	768
4	4 SUPERVISING LIBRARIAN I		35.65	37.48	39.50	41.58	43.76	736
1	1 INFORMATION SYSTEMS SUPPORT TECHNICIAN		28.68	30.11	31.65	33.22	34.83	633
5	5 LIBRARIAN I		27.79	29.19	30.64	32.10	33.75	625
6	6 LIBRARIAN I	0.50	27.79	29.19	30.64	32.10	33.75	625
1	1 LITERACY PROGRAM COORDINATOR		27.79	29.19	30.64	32.10	33.75	623
3	3 LEAD LIBRARY ASSISTANT		25.17	26.45	27.71	29.07	30.59	191
3	3 SENIOR LIBRARY ASSISTANT		23.24	24.27	25.39	26.51	27.79	189
3	3 LIBRARY ASSISTANT		21.06	22.04	23.03	24.09	25.22	187
8	8 LIBRARY ASSISTANT	0.50	21.06	22.04	23.03	24.09	25.22	187
1	1 ADMINISTRATIVE CLERK I	0.25	19.99	21.04	22.11	23.28	24.50	101
5	5 SENIOR LIBRARY PAGE	0.60					16.47	199
14	14 LIBRARY PAGE	0.30					15.03	198
	MAINTENANCE SERVICES DEPT							
	FACILITIES MANAGEMENT							
1	FACILITIES & BUILDING MANAGER		48.10	50.58	53.06	55.73	58.57	760
1	ADMINISTRATIVE ANALYST II		38.44	40.32	42.29	44.43	46.65	724
	OR ADMINISTRATIVE ANALYST I		36.35	37.85	38.84	40.78	42.42	744
1	ELECTRICIAN II		39.14	40.70	42.30	44.09	45.92	329
	OR ELECTRICIAN I		35.59	37.06	38.53	40.15	41.77	328
2	FACILITIES PAINTER II		31.95	33.25	34.55	35.98	37.48	330
	OR FACILITIES PAINTER I		29.07	30.24	31.47	32.79	34.08	324
2	FACILITIES CARPENTER II		31.82	33.08	34.47	35.89	37.39	327
	OR FACILITIES CARPENTER I		28.94	30.14	31.38	32.65	34.01	326
1	STOREKEEPER - EXPEDITER		25.86	26.93	27.94	29.01	30.13	371
1	FACILITIES SERVICEWORKER II		23.51	24.45	25.45	26.34	27.39	320
	FLEET MANAGEMENT DIVISION							
1	EQUIPMENT MANAGER		48.10	50.58	53.06	55.73	58.57	738
7	EQUIPMENT MECHANIC II		29.49	30.87	32.43	34.13	35.82	312
	OR EQUIPMENT MECHANIC I		26.85	28.20	29.63	31.10	32.62	310
1	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
1	EQUIPMENT PARTS STOREKEEPER		24.78	26.09	27.35	28.72	30.17	307
	LANDSCAPE MAINTENANCE DIVISION							
1	LANDSCAPE MAINTENANCE MANAGER		48.10	50.58	53.06	55.73	58.57	752
1	GROUNDSKEEPER III		32.41	33.72	35.08	36.56	37.99	343
3	TREE TRIMMER		29.16	30.32	31.55	32.67	33.95	340
3	GROUNDSKEEPER II		28.42	29.55	30.76	31.84	33.07	342
11	GROUNDSKEEPER I		25.81	26.84	27.97	28.93	30.08	338
	OR LABORER		22.72	23.56	24.50	25.50	26.42	336
1	ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	MAINTENANCE SERVICES ADMIN							
1	DIRECTOR OF MAINTENANCE SERVICES		66.57	69.92	73.44	77.13	81.00	1113
1	ADMINISTRATIVE ANALYST II		38.44	40.32	42.29	44.43	46.65	724
	OR ADMINISTRATIVE ANALYST I		36.35	37.85	38.84	40.78	42.42	744
1	ADMINISTRATIVE SECRETARY		30.62	31.89	33.14	34.38	35.76	108

	STREET MAINTENANCE DIVISION							
1	STREETS MAINTENANCE SUPERVISOR		43.76	45.97	48.24	50.66	53.12	764
1	SENIOR MAINTENANCE LEADER		33.03	34.35	35.73	37.25	38.71	367
2	MAINTENANCE LEADER		29.00	30.13	31.38	32.48	33.73	360
5	SWEEPER EQUIPMENT OPERATOR		27.09	28.00	29.12	30.36	31.56	362
9	MAINTENANCE WORKER		26.33	27.39	28.53	29.50	30.68	357
	OR LABORER		22.72	23.56	24.50	25.50	26.42	336
	MAYOR AND COUNCIL DEPARTMENT							
	MAYOR AND COUNCIL DEPARTMENT							
1	ADMINISTRATIVE SECRETARY (CONF)		32.17	33.49	34.80	36.09	37.53	420
1	MAYOR				Annual Salary:		39,998.40	1300
7	CITY COUNCIL				Annual Salary:		24,980.80	1301
	POLICE DEPARTMENT							
	FIELD OPERATIONS DIV							
2	POLICE CAPTAIN		63.27	66.43	69.75	73.34	76.89	802
7	POLICE LIEUTENANT					66.67	69.91	555
17	POLICE SERGEANT				55.06	57.72	60.67	545
115	POLICE OFFICER		41.95	43.96	46.10	48.33	50.62	515
	OR POLICE OFFICER TRAINEE		29.95	31.44				174
1	CRIME PREVENTION SUPERVISOR		30.19	31.49	32.98	34.50	36.14	190
1	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
5	COMMUNITY SERVICE OFFICER		26.23	27.37	28.69	30.00	31.43	169
2	CRIME PREVENTION SPECIALIST		26.16	27.27	28.55	29.89	31.29	188
1	POLICE RECORDS CLERK II		24.92	25.91	26.95	28.14	29.52	120
2	TRAFFIC SAFETY ASSISTANT	0.60					12.43	901
	OFFICE OF THE CHIEF DIV							
1	CHIEF OF POLICE		76.82	80.52	84.49	88.59	92.63	1102
2	POLICE LIEUTENANT					66.67	69.91	555
1	POLICE SERGEANT				55.06	57.72	60.67	545
1	ADMINISTRATIVE ANALYST III		42.66	44.77	47.06	49.38	51.83	723
1	POLICE OFFICER		41.95	43.96	46.10	48.33	50.62	515
	OR POLICE OFFICER TRAINEE		29.95	31.44				174
2	ADMINISTRATIVE SECRETARY		30.62	31.89	33.14	34.38	35.76	108
	SPECIAL OPERATIONS DIV							
1	POLICE CAPTAIN		63.27	66.43	69.75	73.34	76.89	802
2	POLICE LIEUTENANT					66.67	69.91	555
1	YOUTH & FAMILY SERVICES MANAGER		50.90	53.38	56.01	58.90	61.77	790
7	POLICE SERGEANT				55.06	57.72	60.67	545
13	INSPECTOR		47.29	49.65	52.08	54.55	57.22	520
2	COUNSELING SUPERVISOR		43.01	45.22	47.48	49.84	52.32	737
1	ADMINISTRATIVE ANALYST III		42.66	44.77	47.06	49.38	51.83	723
23	POLICE OFFICER		41.95	43.96	46.10	48.33	50.62	515
	OR POLICE OFFICER TRAINEE		29.95	31.44				174
1	PROPERTY/EVIDENCE MANAGER		40.40	42.48	44.61	46.78	49.17	725
1	PROPERTY & EVIDENCE SUPERVISOR		38.67	40.67	42.68	44.76	47.05	776
8	FAMILY COUNSELOR I		34.80	36.52	38.36	40.12	42.21	632
4	CRIME SCENE TECHNICIAN		27.37	28.59	29.91	31.26	32.76	175
1	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
3	PROPERTY TECHNICIAN		26.23	27.37	28.69	30.00	31.43	170
2	2 POLICE RECORDS CLERK II		24.92	25.91	26.95	28.14	29.52	120
	SPECIAL PROGRAMS							
9	POLICE OFFICER		41.95	43.96	46.10	48.33	50.62	515

	SUPPORT SERVICES DIV							
1	OPERATIONS SUPPORT DIRECTOR		59.74	62.72	65.90	69.20	72.68	1104
1	ANIMAL SERVICES MANAGER		41.48	43.49	45.71	47.99	50.37	714
1	COMMUNICATIONS MANAGER		40.40	42.48	44.61	46.78	49.17	775
1	RECORDS MANAGER		40.40	42.48	44.61	46.78	49.17	707
1	JAIL MANAGER		40.40	42.48	44.61	46.78	49.17	706
4	COMMUNICATIONS SUPERVISOR		35.33	37.11	38.96	40.89	42.96	141
4	JAIL SUPERVISOR		31.53	32.85	34.44	36.05	37.78	142
18	COMMUNICATIONS OPERATOR		30.65	32.21	33.80	35.51	37.30	165
1	COMMUNICATIONS OPERATOR	0.50	30.65	32.21	33.80	35.51	37.30	165
1	ANIMAL SERVICES SUPERVISOR		28.85	30.14	31.54	32.99	34.56	144
3	RECORDS SUPERVISOR		28.36	29.64	31.15	32.54	34.08	143
1	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
15	COMMUNITY SERVICE OFFICER		26.23	27.37	28.69	30.00	31.43	169
1	ANIMAL CONTROL OFFICER		24.81	26.09	27.28	28.56	29.90	185
16	POLICE RECORDS CLERK II		24.92	25.91	26.95	28.14	29.52	120
2	ANIMAL SHELTER SUPERVISOR		23.83	24.88	25.84	26.95	28.31	145
9	ANIMAL CARE ATTENDANT		20.65	21.52	22.38	23.36	24.51	181
	PUBLIC WORKS DEPARTMENT							
	ADMINISTRATION DIVISION							
1	DIRECTOR OF PUBLIC WORKS		72.74	76.37	80.18	84.20	88.42	1111
1	ADMINISTRATIVE ANALYST II		38.44	40.32	42.29	44.43	46.65	724
	OR ADMINISTRATIVE ANALYST I		36.35	37.85	38.84	40.78	42.42	744
1	ADMINISTRATIVE SECRETARY		30.62	31.89	33.14	34.38	35.76	108
	AIRPORT DIVISION SUMMARY							
1	AIRPORT MANAGER		56.51	59.27	62.29	65.35	68.67	713
1	AIRPORT OPERATIONS MANAGER		45.27	47.56	49.89	52.41	54.97	732
1	ADMINISTRATIVE ANALYST II		38.44	40.32	42.29	44.43	46.65	724
	OR ADMINISTRATIVE ANALYST I		36.35	37.85	38.84	40.78	42.42	744
1	ADMINISTRATIVE SECRETARY		30.62	31.89	33.14	34.38	35.76	108
1	AIRPORT MAINTENANCE LEADER		30.35	31.47	32.72	34.06	35.43	302
1	SENIOR SECRETARY		27.99	29.09	30.27	31.38	32.59	107
	OR SECRETARY		24.63	25.76	27.05	28.31	29.66	106
	OR ADMINISTRATIVE CLERK II		22.71	23.63	24.59	25.69	26.95	102
4	AIRPORT MAINTENANCEWORKER		27.57	28.58	29.70	30.94	32.21	303
1	ADMINISTRATIVE INTERN	0.50				20.00	15.00	907
	COLLECTION SYSTEM MAINTENANCE							
	2 ELECTRICIAN II		39.14	40.70	42.30	44.09	45.92	329
	OR ELECTRICIAN I		35.59	37.06	38.53	40.15	41.77	328
	1 SENIOR UTILITY LEADER		35.35	36.77	38.23	39.88	41.46	377
	1 UTILITIES MAINTENANCE MECHANIC		32.39	33.64	34.96	36.37	37.84	325
	2 UTILITY LEADER		31.06	32.30	33.64	34.82	36.16	374
	4 UTILITY WORKER		28.24	29.36	30.57	31.64	32.87	372
	OR LABORER		22.72	23.56	24.50	25.50	26.42	336

ENGINEERING/TRANSPORTATION DIV						
-2100/2101,2112,2113,2114,2121,2141,2811,2821-						
1 DEPUTY DIRECTOR OF PUBLIC WORKS	63.25	66.41	69.73	73.22	76.88	1112
1 ASSISTANT CITY ENGINEER	56.60	59.36	62.37	65.49	68.75	721
1 TRANSPORTATION MANAGER	50.90	53.38	56.01	58.90	61.77	757
1 SENIOR CIVIL ENGINEER	49.22	51.64	54.23	56.98	59.79	788
1 SUPERVISING CONSTRUCTION INSPECTOR	48.01	50.47	52.88	55.54	58.31	780
1 SURVEY ENGINEER	45.54	47.80	50.24	52.72	55.34	778
2 ASSOC TRANSPORTATION ENGINEER	43.75	45.95	48.18	50.63	53.10	608
9 ASSOC CIVIL ENGINEER	43.75	45.95	48.18	50.63	53.10	606
OR ASSIST CIVIL ENGINEER	37.69	39.63	41.66	43.68	45.85	602
1 SENIOR CONSTRUCTION INSPECTOR	40.04	42.17	44.30	46.40	48.71	642
1 ADMINISTRATIVE ANALYST II	38.44	40.32	42.29	44.43	46.65	724
OR ADMINISTRATIVE ANALYST I	36.35	37.85	38.84	40.78	42.42	744
1 ASSISTANT TRANSPORTATION ENGR	37.69	39.63	41.66	43.68	45.85	615
1 SURVEYOR	35.58	37.34	39.20	41.14	43.21	612
5 CONSTRUCTION INSPECTOR	33.55	35.27	36.92	38.79	40.76	661
4 ENGINEERING TECHNICIAN	29.91	31.35	32.94	34.59	36.24	668
3 SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102
INDUSTRIAL PRETREATMENT						
-3106/-						
1 SR.WATER POLLUTION SOURCE CONT.INSP	37.15	39.08	41.04	42.98	45.17	680
3 WATER POLLUTION SOURCE CONT.INSP.	33.76	35.52	37.14	39.05	40.99	679
1 TECHNICAL INTERN .50					15.00	908
RECYCLING-SOLID WASTE						
-4634/4634-						
1 SOLID WASTE MANAGER	42.66	44.77	47.06	49.38	51.83	727
1 RECYCLING SPECIALIST	31.64	33.20	34.83	36.60	38.42	636
1 SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102
1 ADMINISTRATIVE INTERN				20.00	15.00	907
WATER POLLUTION CNTL FACILITY						
-3100/3101,3103,3105-						
1 WATER POLLUTION CONTROL FAC.MGR.	54.75	57.45	60.37	63.34	66.56	759
1 WPCF OPERATIONS & MAINTENANCE MANAGER	49.46	51.93	54.51	57.24	60.10	717
1 UTILITIES ENGINEER	49.22	51.64	54.23	56.98	59.79	765
1 WPCF MAINTENANCE SUPERVISOR	44.58	46.85	49.17	51.64	54.20	719
1 WPCF OPERATIONS SUPERVISOR	44.58	46.85	49.17	51.64	54.20	718
1 LAB SUPERVISOR	44.58	46.85	49.17	51.64	54.20	702
1 ASSOC CIVIL ENGINEER	43.75	45.95	48.18	50.63	53.10	606
OR ASSIST CIVIL ENGINEER	37.69	39.63	41.66	43.68	45.85	602
2 ELECTRICIAN II	39.14	40.70	42.30	44.09	45.92	329
OR ELECTRICIAN I	35.59	37.06	38.53	40.15	41.77	328
6 WPCF LEAD OPERATOR	34.66	36.04	37.46	38.94	40.51	351
3 UTILITIES MAINTENANCE MECHANIC	32.39	33.64	34.96	36.37	37.84	325
3 LABORATORY TECHNICIAN	32.49	33.71	35.01	36.45	37.81	637
6 WPCF OPERATOR	31.51	32.77	34.08	35.41	36.84	350
OR OPERATOR-IN-TRAINING	28.84	29.99	31.24	32.30	33.56	347
1 EQUIPMENT OPERATOR	28.39	29.43	30.60	31.84	33.13	361
1 SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102
1 MAINTENANCE WORKER	26.33	27.39	28.53	29.50	30.68	357
OR LABORER	22.72	23.56	24.50	25.50	26.42	336
WATER POLLUTION SOURCE CONTROL						
-2900/-						
1 WATER POLLUTION CONTROL ADMIN	44.58	46.85	49.17	51.64	54.20	769
2 WATER POLLUTION SOURCE CONT.INSP.	33.76	35.52	37.14	39.05	40.99	679
1 SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102

WATER-DISTRIBUTION
-3001/3044,3045,3046,3047,3048,3049,3052-

1 UTILITIES SUPERINTENDENT	60.15	63.18	66.34	69.69	73.22	735
1 UTILITIES OPERATIONS & MAINTENANCE MGR.	49.46	51.93	54.51	57.24	60.10	716
1 UTILITIES MAINTENANCE SUPERVISOR	44.58	46.85	49.17	51.64	54.20	766
1 ELECTRICIAN II	39.14	40.70	42.30	44.09	45.92	329
OR ELECTRICIAN I	35.59	37.06	38.53	40.15	41.77	328
1 SENIOR UTILITY LEADER	35.35	36.77	38.23	39.88	41.46	377
1 SENIOR UTILITY CUSTOMER SERVICE LEADER	33.63	34.98	36.37	37.91	39.42	378
5 UTILITIES MAINTENANCE MECHANIC	32.39	33.64	34.96	36.37	37.84	325
3 UTILITY LEADER	31.06	32.30	33.64	34.82	36.16	374
1 ADMINISTRATIVE SECRETARY	30.62	31.89	33.14	34.38	35.76	108
1 CROSS CONNECTION CONTROL SPECIALIST	29.47	30.49	31.69	33.00	34.31	376
3 WATER METER MECHANIC	28.64	29.74	30.97	32.24	33.53	375
2 EQUIPMENT OPERATOR	28.39	29.43	30.60	31.84	33.13	361
14 UTILITY WORKER	28.24	29.36	30.57	31.64	32.87	372
OR LABORER	22.72	23.56	24.50	25.50	26.42	336
2 UTILITIES SERVICE WORKER	28.24	29.36	30.57	31.64	32.87	368
1 SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102
1 STOREKEEPER - EXPEDITER	25.86	26.93	27.94	29.01	30.13	371
1 BACKFLOW/CROSS CONNECTION TESTER	24.77	25.95	27.16	28.48	29.85	370
2 WATER METER READER	25.60	26.61	27.70	28.71	29.85	369
1 WATER METER READER .50	25.60	26.61	27.70	28.71	29.85	369

WATER-UTILITIES ADMINISTRATION
-3000/3061-

1 DEPUTY DIRECTOR OF PUBLIC WORKS	63.25	66.41	69.73	73.22	76.88	1112
1 LANDSCAPE ARCHITECT	50.90	53.38	56.01	58.90	61.77	753
1 UTILITIES ENGINEER	49.22	51.64	54.23	56.98	59.79	765
1 ASSOC CIVIL ENGINEER	43.75	45.95	48.18	50.63	53.10	606
OR ASSIST CIVIL ENGINEER	37.69	39.63	41.66	43.68	45.85	602
1 ADMINISTRATIVE ANALYST III	42.66	44.77	47.06	49.38	51.83	723
1 SENIOR UTILITY SERVICE REP.	32.19	33.79	35.40	37.21	39.03	373
1 SENIOR SECRETARY	27.99	29.09	30.27	31.38	32.59	107
OR SECRETARY	24.63	25.76	27.05	28.31	29.66	106
OR ADMINISTRATIVE CLERK II	22.71	23.63	24.59	25.69	26.95	102

TECHNOLOGY SERVICES DEPARTMENT

TECH SERVICES PEG PROGRAM
-3402/-

1 AUDIO VIDEO SPECIALIST	27.33	28.66	30.13	31.63	33.14	641

TECHNOLOGY SERVICES PROGRAM
-3401/3401-

1 TECH SERVICES DIRECTOR	64.03	67.24	70.60	74.12	77.82	1105
1 INFORMATION SYSTEMS MANAGER	50.66	53.16	55.80	58.59	61.48	772
1 DATA & SYSTEMS COORDINATOR	45.47	47.77	50.13	52.67	55.31	728
2 NETWORK SYSTEMS SPECIALIST	40.90	42.97	45.09	47.34	49.72	755
1 GEOGRAPHIC INFO SYSTEMS COORDINATOR	39.30	41.26	43.22	45.40	48.41	635
2 PROGRAMMER ANALYST	38.58	40.47	42.57	44.67	46.87	628
1 WEB SPECIALIST	38.02	39.94	41.92	44.01	46.21	634
4 NETWORK/MICROCOMPUTER SPECIALIST	35.02	36.77	38.60	40.52	42.58	630
1 ADMINISTRATIVE SECRETARY	30.62	31.89	33.14	34.38	35.76	108
1 DATA SYSTEMS OPERATOR	24.65	25.78	27.05	28.33	29.67	160
1 TECHNICAL ASSISTANT .50					15.00	906

EMPLOYEE COUNT:
FULL-TIME: 819
PART-TIME: 45

FLX STAFF: 371

FTE TOTAL: 839.65

ATTACHMENT II

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member _____

RESOLUTION DESIGNATING POSITIONS OF EMPLOYMENT IN THE CITY GOVERNMENT OF THE CITY OF HAYWARD; PROVIDING FOR THEIR NUMBER AND SALARY RANGE; AND SUPERSEDING RESOLUTION NO. 09- 113 AND ALL AMENDMENTS THERETO

BE IT RESOLVED by the City Council of the City of Hayward, as follows:

Section 1. That a revised Positions and Salaries Schedule relating to the positions of employment in the City of Hayward, and the hourly rates of pay for those positions, is hereby set forth in Attachment "A," attached hereto and made a part hereof. The positions enumerated under the columns headed "Number of Positions" and "Class Title" are hereby designated as the positions of employment in the City of Hayward, and the hourly rates of pay shown in the columns under the heading "Hourly Salary Range" are the salary rates or the maximum rates of pay for such positions.

Section 2. Salaries paid to occupants of said positions shall be administered in accordance with the Personnel Rules and Memoranda of Understanding and Side Letter Agreements approved by the City Council and currently in effect.

Section 3. All class titles used herein refer to the specifications of the position classification plan as reviewed by the Personnel Commission of the City of Hayward, or as set forth in the City Charter.

Section 4. The City Manager may approve in advance of an established effective date, payment to certain classifications in the Management Unit of all or a portion of a general salary increase previously approved by the City Council. Such advance payments shall be made only for those management classifications where the salary range is less than 10 percent above an immediately subordinate classification. The amount of advance payment approved by the City Manager shall not exceed the amount required to establish a 10 percent salary differential between the affected classifications. The City Manager shall advise the City Council and each bargaining unit in advance of any payments made pursuant to the provisions of this section.

Section 5. The salary ranges set forth in Attachment "A" shall be revised to reflect salary changes provided in any Memoranda of Understanding, Side Letters of Agreement, or resolution setting forth the wages, hours, and other terms and conditions of employment for a bargaining unit or group of unrepresented employees of the City. Any revisions made pursuant to the provisions of this section shall be incorporated into a document prepared by the Human Resources Director and distributed to affected employees or their representatives that reflects the date of the revision and cites both the authority provided by this section and the provision of the memorandum or resolution being effectuated by the revision.

Section 6. This resolution supersedes Resolution No. 09-113 and all amendments thereto.

IN COUNCIL, HAYWARD, CALIFORNIA_____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST:
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

CITY OF
HAYWARD
HEART OF THE BAY

___11____

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Authorization for the City Manager to Negotiate and Execute an Agreement with the Alameda County Public Works Agency for the Relocation of the City's Pedestrian Bridge as Part of the County's Floodwall Improvement Project between Industrial Parkway SW and Huntwood Avenue

RECOMMENDATION

That Council adopts the attached resolution authorizing the City Manager to negotiate and execute an agreement with the Alameda County Public Works Agency for the design and construction work associated with the relocation of the City's pedestrian bridge as part of the County's Floodwall Improvement Project between Industrial Parkway SW and Huntwood Avenue.

BACKGROUND

On August 5, 1975, the City of Hayward entered into an agreement with the Alameda County Flood Control and Water Conservation District (District), which allowed the City to install a public trail system, including a pedestrian bridge, on District lands along the District's Zone 3A, Line D flood control channel that stretches along Industrial Boulevard SW. While the District granted the City the right to install public trails and other recreational amenities on District lands, the District reserved the right to usurp this use for flood control purposes. In such a case, the City could be called upon to remove, modify, or relocate the City's public trail infrastructure as necessary and as required by the District, for flood control purposes in that area.

DISCUSSION

In a letter dated July 19, 2010, the District notified the City of its planned project to install flood wall improvements between Industrial Boulevard SW and Huntwood Drive. The 8,100 linear foot masonry block floodwall would be placed on subsurface concrete piles and will typically be three and a half to four feet high, although, in a few areas, as high as six feet on both sides of the channel (see Attachment II). Other aspects of the project include the application of anti-graffiti coating on the wall surface and installation of irrigation and landscaping including native trees, shrubs, and vines along the wall to make the wall attractive and to mitigate graffiti. In order to install the

floodwall, the City's existing pedestrian bridge across the channel needs to be relocated approximately 100 feet to the west of its current location and placed on new foundation abutments(see Attachment II-a). ADA-compliant ramps are also proposed to facilitate access. The asphalt concrete pavement trails on the channel embankment are to be removed and reinstalled because of changes to the elevation of the channel embankment.

According to the District, the floodwall improvement will remove from the floodplain the commercial and industrial properties in the area on both sides of the channel, as well as the residential properties on the north side of the channel, (see Attachment III). The areas identified as Phase 1 on the attachment are to be removed from the floodplain with this project. Areas identified as Phase 2, 3 and 4 will be removed from the floodplain in future district projects. The existing floodplain in this area results from an overtopping of the Line D channel during high intensity storm events; the floodwall will minimize overtopping of the channel flows. In total, 140 residential and 54 industrial/commercial properties in the area will benefit from a reduction in their property insurance premiums when these areas are removed from the floodplain.

The attached agreement (see Attachment IV) will make the relocation of the City's pedestrian bridge and public trail system part of the District's floodwall improvement project. The District, as lead agency for this work, has indicated that the floodwall project is categorically exempt under CEQA. The project will be submitted for public bid, and awarded to the lowest responsible bidder.

FISCAL IMPACT

The estimated cost for the City's portion of the work is as follows:

Design Services (to Reimburse District)	$ 49,000
Construction Cost (to Reimburse District)	$133,000
Staff Administration	$ 18,000
Total:	$200,000

The City of Hayward will reimburse the District for its share of the actual design and construction cost, as required by the agreement that allowed the installation of the pedestrian bridge and the trail system. The FY 2011 Capital Improvement Program (CIP) includes $200,000 in the Measure B Pedestrian and Bicycle Fund for the Industrial Parkway Pedestrian/Bicycle Bridge Replacement project.

PUBLIC CONTACT

As part of their public outreach program, the District held several public meetings with area residents on the following dates:

Meeting with Fairway Park Home Owners Association	February 2, 2010
Meeting with Georgian Manor Mobile Home Park Home Owners Assoc.	May 4, 2010
Meeting with directly Impacted Property Owners.	May 18, 2010
Project Site Meeting with Fairway Park Home Owners Association	June 11, 2010

In addition to the above meetings, the District has had direct email correspondence with concerned residents. Staff also held several meetings with district staff to discuss the project and review the agreement. A separate notification about this agenda item was also sent to the Home Owners Associations contacted by the county including the Fairway Park Home Owners Association.

The County indicated that the project has received significant support from property owners who are to benefit from being removed from the floodplain. However, residents in the Fairway Park neighborhood have expressed opposition because of the visual impacts of the new floodwall and their concern that the floodwall's solid block wall surface will attract graffiti. It should be noted that the Fairway Park neighborhood is outside the floodplain that will benefit from the project. Staff reviewed the concerns of the Fairway Park neighborhood and required the District to install anti-graffiti coating and landscaping to mitigate aesthetic concerns.

SCHEDULE

Begin Design	December 2008
Complete Design	February 2011
Begin Construction	June 2011
Complete Construction	November 2011

Prepared by: Morad Fakhrai, Deputy Director of Public Works

Recommended by: Robert A. Bauman, Director of Public Works

Approved by:

Fran David, City Manager

Attachments:

Attachment I:	Resolution
Attachment II:	Views of Existing and Proposed Floodwall
Attachment II-a:	Current and Proposed Location of Pedestrian Bridge
Attachment III:	Areas to Be Removed from Flood Plain
Attachment IV:	Agreement with Alameda County Public Works Agency
Attachment IV-a:	Exhibit A – Scope of Project

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A COOPERATIVE AGREEMENT WITH THE ALAMEDA COUNTY PUBLIC WORKS AGENCY FOR DESIGN AND CONSTRUCTION SERVICES ASSOCIATED WITH THE RELOCATION OF A CITY PEDESTRIAN BRIDGE AND PUBLIC TRAIL SYSTEM

BE IT RESOLVED by the City Council of the City of Hayward as follows:

WHEREAS, by resolution on August 26, 1975, the City entered into an agreement with the Alameda County Public Works Agency (hereinafter referred to as District), for the creation of public trails, including the installation of a pedestrian bridge on District lands; and

WHEREAS, said agreement required the City to remove and/or modify the public trails and related infrastructure whenever necessary for preserving the use of said lands for flood control purposes upon notice from the District; and

WHEREAS, staff has negotiated a cooperative agreement for design and construction services for modifying the trail system and relocating the pedestrian bridge; and

WHEREAS, the City Attorney has reviewed and approved said agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the City Manager is hereby authorized and directed to negotiate and executethe cooperative agreement in the name of and for and on behalf of the City of Hayward, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

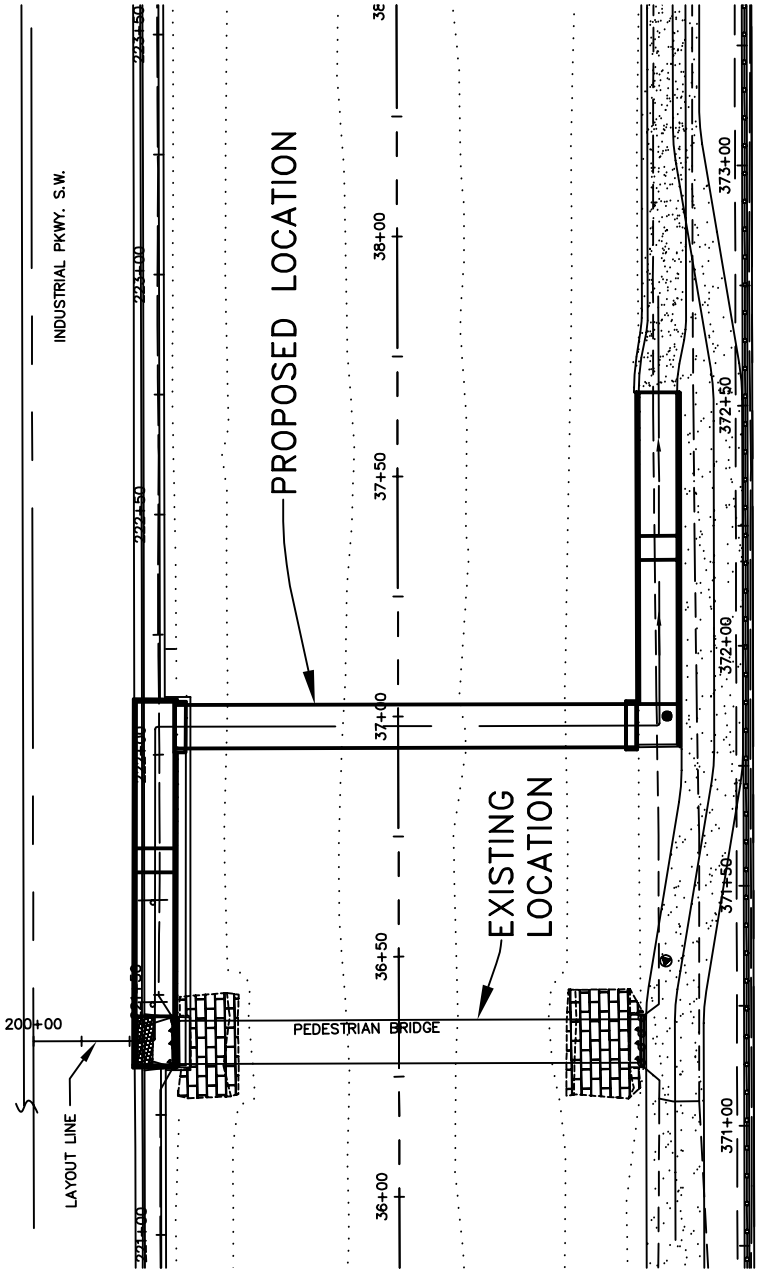
_____
City Attorney of the City of Hayward

Industrial Parkway (looking south)

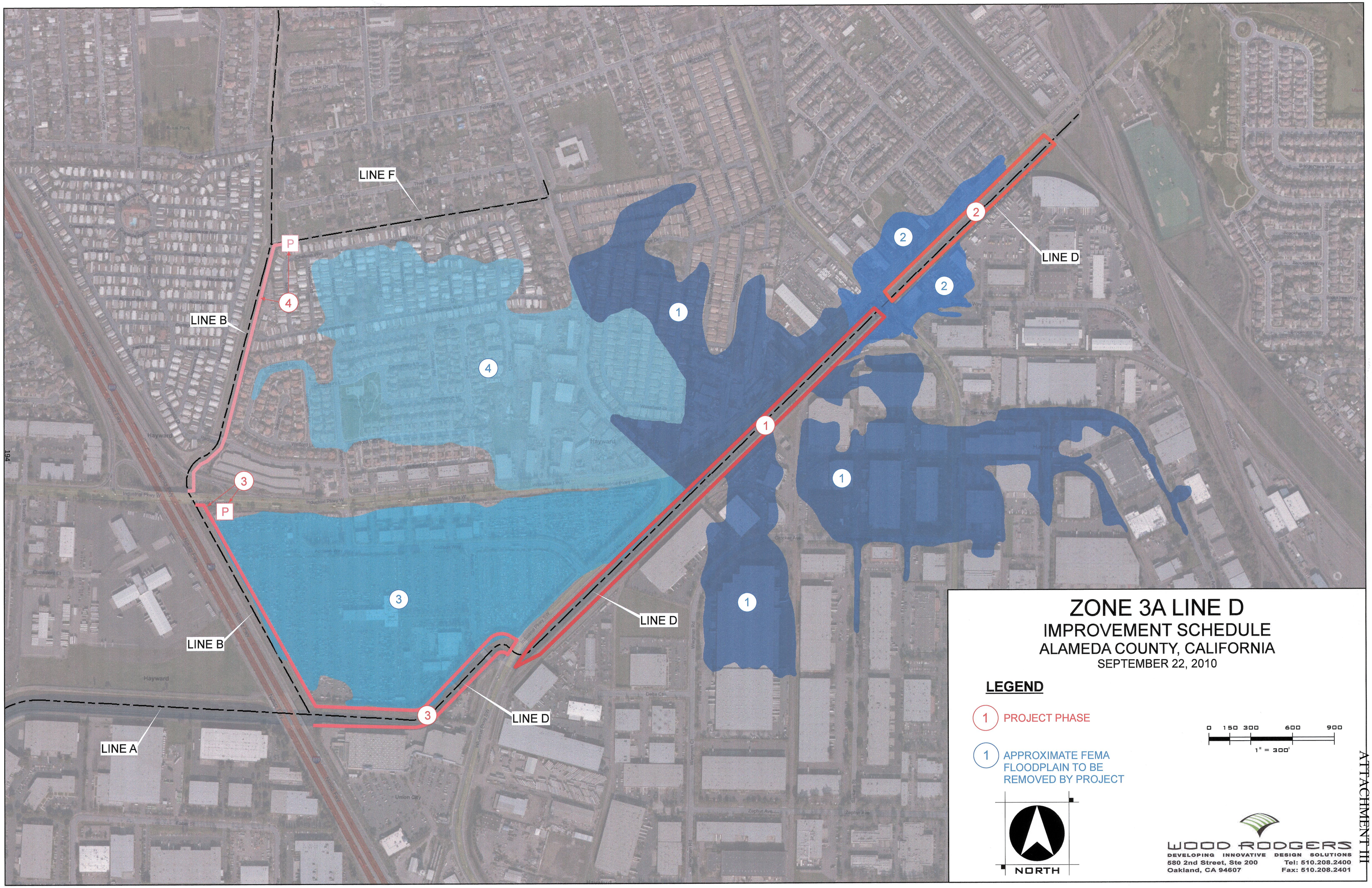
Existing view

Proposed view simulation

Views of Existing and Proposed Floodwall



Current and Proposed Location of Pedestrian Bridge



ATTACHMENT III

194

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COOPERATIVE AGREEMENT
LINE D FLOODWALL IMPROVEMENTS
BETWEEN INDUSTRIAL PARKWAY SW AND HUNTWOOD AVENUE
HAYWARD, ALAMEDA COUNTY, CALIFORNIA, ZONE NO. 3A PROJECT

This Cooperative Agreement (Agreement) is made this _____ day of _____, 2010, in the City of Oakland, State of California, by and between the City of Hayward, hereinafter referred to as "City," and the Alameda County Flood Control and Water Conservation District, hereinafter referred to as "District." City and District hereby agree as follows:

A. Purposes

1. The Line D (also known as Ward Creek) Floodwall Improvements between Industrial Parkway SW and Huntwood Avenue, hereinafter referred to as "Project," will create 8,100 linear feet of floodwalls to provide increased flood protection for the surrounding areas and will enable the District to apply to FEMA a Letter of Map Revision, to remove a portion of the existing floodplain designation from the Flood Insurance Rate Map.
2. The Line D earth channel is owned and maintained by the District. The District currently conducts periodic maintenance activities, including removal of large debris and desilting of the channel, for the purpose of flood protection. Line D was constructed in 1959 and designed based on the land use conditions and criteria used at the time.
3. The District issued a License Agreement to the City, dated August 26, 1975, for the purpose of creating trails and recreational improvements on District property. Under that agreement, the City constructed improvements that include a 1,600 linear foot asphalt concrete pathway west of Huntwood Avenue and a pedestrian bridge that spans the flood control channel, within the District Right-of-Way. The pedestrian bridge is owned and maintained by the City. The pedestrian bridge is in conflict with the proposed floodwall improvements and must be removed or relocated to accommodate flood control objectives, as stated in the terms of the License Agreement.
4. The City desires that the District include the bridge relocation, new pathway, and pedestrian ramps in its floodwall improvement project. The City agrees to reimburse the District for all design and construction costs associated with the bridge relocation, new pathway and pedestrian ramps.
5. The District desires that the City offers Right-of-Way as described under Exhibit A that is necessary to facilitate the construction of the floodwall.
6. The District desires that the City offers water usage for two years between May 1 and October 31 each year, in exchange for a release of an obligation under the 1975 License Agreement to maintain the existing trees and shrubs.

B. Scope of Project

The Project will involve the removal of existing wrought iron and chain link fencing, plants and trees, and asphalt concrete pedestrian pathway; the construction of 8,100 linear feet of concrete masonry block floodwalls on cast-in-drilled-hole concrete piles and pile caps, application of anti-graffiti coating to floodwall surfaces, improvements to the maintenance access road including construction of ramps for access to the channel within the floodwalls, installation of chain link fencing and safety railings, revegetation along both sides of the 3,200 foot project reach with native trees, shrubs and vines, relocation of existing City owned pedestrian bridge and construction of new bridge abutments, elevated pedestrian ramps and guard railings, slope protection for the south bridge abutment, and reconstruction of the asphalt concrete pedestrian path (bike path). District and City shall implement those activities for which they are each respectively responsible as described in Exhibit A, "Scope of Project," of this Agreement.

C. Indemnity Provisions

1. The City agrees to defend, indemnify, and hold harmless the District (with legal counsel reasonably acceptable to the District), the County of Alameda, its Board of Supervisors, its predecessors, successors, assignees, agents, departments, officials, representatives, employees and all persons acting by, through, under or in concert with any of them, and each of them (collectively "District Indemnitees") from any and all acts, claims, liabilities and losses by whomever asserted arising out of City's performance under this Agreement except those arising by reason of the sole negligence or willful misconduct of the District Indemnitees.

2. The District agrees to defend, indemnify, and hold harmless the City, its Council members, its predecessors, successors, assignees, agents, departments, officials, representatives, employees and all persons acting by, through, under or in concert with any of them, and each of them (collectively "City Indemnitees") from any and all acts, claims, liabilities and losses by whomever asserted arising out of District's performance under this Agreement except those arising by reason of the sole negligence or willful misconduct of the City Indemnitees.

3. District shall include a provision in its construction contract with the general contractor and its subcontractor(s) on the Project requiring the general contractor and its subcontractor(s) to indemnify City, to the fullest extent permitted by law, for damages resulting from the work of the general contractor and its subcontractors excluding indemnity for the sole negligence and/or willful misconduct of City. District shall also include a provision in the construction contract with the general contractor and its subcontractor(s) on the project requiring the general contractor to name City as an additional insured on its Commercial General Liability (CGL) insurance coverage.

D. Employer/Employee Relationship

No relationship of employer and employee is created by this Agreement, it being understood that City and District shall act hereunder independently of one another; and that personnel employed or contracted by the District shall not have any claim under this Agreement or otherwise against City for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance, medical care, hospital care, retirement benefits, Social Security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind; District shall be solely liable for and obligated to pay directly all applicable taxes, including, but not limited to, Federal and State income taxes, and in connection therewith City shall indemnify and hold City harmless from any and all liability which District may incur because of District's failure to pay such taxes; that District does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with currently approved methods and practices in his/her field and that the sole interest of City is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the agency concerned.

E. Amendments

If, during the term of this Agreement it becomes necessary to amend or add to the terms and conditions of this Agreement, such amendments or additions shall be approved by the governing boards of City and District. However, any specific interpretations of the provisions of this Agreement, may be made by and between City and District by means of a memorandum of understanding jointly executed by the Directors of Public Works of City and District, or by equivalent officials, and such memorandum or memoranda shall be deemed incorporated herein and be deemed of equal force and effect with any of the terms and conditions contained herein.

F. Conformity With Law and Safety

District and City shall each observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies having jurisdiction over the scope of services or any part hereof, including all provisions of the California Occupational Safety and Health Act, and all federal, state, municipal and local safety regulations. All services performed by each party to this Agreement must be in accordance with these laws, ordinances, codes, and regulations.

G. Term of Agreement

The parties in this Agreement agree to work together in the spirit of cooperation and good faith and shall use their best efforts to accomplish the particular obligations set forth herein. Whenever mutual agreement is provided for in this Agreement, no party shall unreasonably withhold their approval.

In the event of any disagreement concerning the interpretation or implementation of this Agreement, the parties shall make good faith efforts to resolve their differences, which

efforts may include utilizing non-binding arbitration, with costs to be borne equally by the two contracting parties. Each party shall bear its own attorneys' fees and costs.

This Agreement shall terminate when the District has accepted the project as complete and has received full reimbursement from the City, for the design and construction of the relocation of the City owned pedestrian bridge, new bridge abutments, elevated pedestrian ramps and guard railings, slope protection for the south bridge abutment, and reconstruction of the asphalt concrete pedestrian path (bike path).

Upon termination of this Agreement, all the terms outlined in the original License Agreement issued to the City on August 26, 1975, except as modified in this Agreement, regarding responsibility to maintain and operate all its facilities within District lands, shall remain unchanged. The City shall continue the responsibility of maintenance and operation of the newly constructed asphalt concrete pedestrian pathway (bike path) and pedestrian bridge and structure in an orderly, safe and sanitary manner under the original License Agreement.

H. Insurance/Self Insurance

District and City are self-insured as to any questions under this Agreement. No policies or bonds are required of either party as to any provisions of this Agreement.

I. Workers Compensation

District is aware of and will comply with the requirements of Section 3700 of the Labor Code of the State of California at District's own cost and expense and further, neither District nor its carrier shall be entitled to recover from City any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.

City is aware of and will comply with the requirements of Section 3700 of the Labor Code of the State of California at City's own cost and expense and further, neither City nor its carrier shall be entitled to recover from District any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.

J. Choice of Law

This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

K. Notices

All notices required under this Agreement must be in writing, and may be given either personally or by registered or certified mail (return receipt requested), or by facsimile. Any party hereto may at any time, by giving ten (10) days written notice to the other party hereto, designate any other person or address in substitution of the address to which such notice shall be given. Such notices shall be given to the parties at their address set forth below:

District	City of Hayward
Daniel Woldesenbet, Ph.D., P.E. General Manager 399 Elmhurst Street Hayward, CA 94544	Robert A. Bauman, P.E. Director City of Hayward Public Works 777 B Street Hayward, CA 94541

Execution

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates shown below their respective authorized signatures.

ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT,	CITY OF HAYWARD, a local public agency of the State of California
By:_____ President, Board of Supervisors	By:_____ City Administrator
Date:_____	Date:_____
	Resolution No. _____C.M.S.
Approved as to form: Richard E. Winnie, County Counsel	Approved as to form:
By:_____ Deputy County Counsel	By:_____ Office of the City Attorney

Exhibit A - Scope of Project

District agrees to the following:

1. The District will prepare and submit environmental regulatory permit applications for the Project, and make a good faith effort to negotiate and secure the necessary permits prior to beginning of construction. However, the progress may be delayed as a result of the review and issuance of the environmental permits by the environmental regulatory agencies. The City shall not lay claim against the District if the Project schedule is delayed.
2. The District will prepare the contract plans, specifications and estimates for the Project. A preliminary Engineer's Estimate is included as Exhibit B and B1 for reference.
3. The District will include language in the construction contract document to require the contractor and sub-contractor(s) to name City of Hayward as additional insured.
4. The District will be responsible for the advertisement of the Project for bids, evaluate bid results, award of a construction contract to the lowest responsible bidder, and provide surveying, construction testing and inspection, and contract administration. However, the progress of the Project may be delayed as a result of unreasonable and unacceptable high bids. If this situation occurs, the District will inform the City of a decision to reject all bids and re-advertise the project at a later date deemed reasonable to the District. The City shall not lay claim against the District if the Project schedule is delayed.
5. The District will fund the technical analysis, soil studies, design and engineering costs for the project elements benefiting the District. The design and engineering cost which shall be borne by the District shall include the floodwalls, maintenance access roads and ramps, revegetation, channel fencing and guard railings.
6. The District shall fund the actual construction cost for the following portion of the Project, estimated to total $5,325,000: clearing and grubbing, removal and salvaging existing wrought iron fencing, removal of existing trees and shrubs, providing traffic control and construction staging areas, relocation of existing City street lights and pull boxes, floodwall transitions to accommodate pedestrian bridge and ramps, floodwall construction including cast-in-drilled-hole (CIDH) piles and pile caps, maintenance access road improvements, underlying aggregate base and sub grade section for the pathway, installation of fencing and guard railings along the maintenance access road, application of anti-graffiti coating, revegetation of project area, and all costs related to mobilization, demobilization, project site preparation and final clean up.
7. The District, as requested by the City, shall include language in the construction document indicating that the Contractor shall relocate the existing pedestrian bridge as described in the Structural Engineer's Inspection Report prepared by City hired consultant (Exhibit C). Further, the Contractor shall be required to submit shop drawings and calculations for the City's review and approval, detailing the procedures of supporting, lifting, moving and setting the existing bridge on new abutments.
8. The District will remove and salvage approximately 2,167 feet of existing wrought iron fence along the south side of Industrial Parkway and deliver the salvaged material to a location designated by the City within the City of Hayward limits.

9. The District will prepare a legal description and be responsible for the recording costs involved in the acquisition of City Right-of-Way, to be granted by the City at no cost to the District, for the construction of 65' of floodwall adjacent to the south side of Industrial Boulevard SW, just downstream of the street crossing at Line D. The total area is estimated to be 545 square feet.
10. The District will apply for a City encroachment permit for traffic control/lane closure during construction of the north floodwall adjacent to Industrial Parkway SW.
11. The District will conduct a joint site walk through with City staff at the completion of the pedestrian bridge relocation and ramp construction, and identify punch list items, if any, related to the construction work performed.

City agrees to the following:

1. The City shall be fully responsible in funding all costs associated with the design and construction for the new bridge abutments, elevated pedestrian ramps and guard railings, the relocation of the City owned steel pedestrian bridge structure, slope protection for the south bridge abutment, removal and disposal of existing asphalt concrete pathway pavement, and reconstruction of the 2-inch asphalt concrete section pedestrian path (bike path). The District has no obligation for future maintenance, performance or repair of the new asphalt concrete pathway. The City shall bear full responsibility of all future maintenance and repair of the asphalt concrete pathway regardless of the sub grade condition.
2. The City shall be fully responsible for the evaluation of the structural integrity of the City owned pedestrian bridge that was constructed in 1983.
3. The City shall review all submittals, by the District's Contractor, of shop drawings and calculations detailing the procedures of supporting, lifting, moving and setting the existing City owned steel pedestrian bridge structure on new abutments, provide comments within five (5) working days of Contractor's submittal, and provide final approval of Contractor's bridge relocation procedures. The City shall not lay claim against the District, contractor and/or sub-contractor in the event of structural failure during the relocation process as approved by the City, except those arising by reason of the sole negligence or willful misconduct of the Contractor. The City shall be fully responsible for all costs associated with such failure, including but not limited to, the removal and disposal of the failed bridge structure and construction delays.
4. The City shall be responsible for the verification and construction (if necessary) of the following:
   a. Replacement and/or resurfacing of the existing bridge timber decking.
   b. Retrofitting of existing pedestrian bridge handrails and guard railings for Americans with Disabilities Act (ADA) and building code requirement compliance.
   c. Certification of the existing pedestrian bridge for ADA compliance.

   The above items shall not be included in the District construction contract for the floodwall improvements and any necessary work shall be undertaken after the District project is complete.

5. The City shall review and approve the design of the new pedestrian bridge abutments and ramps, guard railings, slope protection and pedestrian path (bike path). The City shall provide review comments within two weeks upon receipt of the design submittal. The City shall provide final acceptance of the design by signing the respective pedestrian bridge/ramps design drawings.
6. The City shall fund the actual design and contract plans and specifications preparation cost for the new pedestrian bridge ramps, guard railings, abutments and foundations, based on the final billing by District's consultant. The estimated consultant design and contract plans and specifications preparation cost is $43,000.
7. The City shall fund the actual construction cost, based on the final progress payment to the Contractor, for the following Bid Items of the Project as shown in Exhibit B, and any Construction Change Order(s) associated with the construction and relocation of the existing pedestrian bridge approved by the City:
   a. Bid Item No. 19 - Construct New Abutments - Pedestrian Bridge
   b. Bid Item No. 20 - Slope Protection, Facing Class, Placement Method B, south bank only
   c. Bid Item No. 21 - Relocate Pedestrian Bridge
   d. Bid Item No. 22 – Remove Existing Concrete Abutments and Slope Protection
   e. Bid Item No. 23 - Construct Concrete Pedestrian Ramps
   f. Bid Item No. 24 - Pedestrian Ramp Guard Railings
   g. Bid Item No. 25 – Asphalt Concrete, Type A
   h. Bid Item No. 26 – Removal of Existing Asphalt Concrete (Pedestrian Pathway)

   The estimated construction and relocation costs based on the Preliminary Engineer's Estimate (Exhibit B1) are $115,722.
8. The City shall grant the title to the portion of the Industrial Parkway SW Right-of-Way necessary for the construction of 65' of floodwall adjacent to the south side of Industrial Parkway SW, just downstream of the street crossing at Line D, at no cost to the District. The total Right-of-Way area is estimated to be 545 square feet.
9. The City shall facilitate the issuance of an encroachment permit for traffic control/lane closure purposes. The City shall waive all encroachment permit fees and inspection fees.
10. The City shall provide a designated site for receiving the salvaged wrought iron fence within the City of Hayward limits, within thirty (30) calendar days of execution of this Agreement.
11. The City shall secure and budget necessary funds in the City's Fiscal Year 2011/12 Budget to reimburse the District for all actual costs involved in the design, construction and relocation of the City owned pedestrian bridge. The City should include an additional 15% ($23,808) contingency fund in anticipation of unforeseen construction changes or variation in actual unit bid price. The total estimated City cost is $182,530.
12. The City shall reimburse the District within forty-five (45) calendar days, for the design, construction and relocation costs of the pedestrian bridge, upon receipt of District's request for reimbursement after July 1, 2011.

13. The City shall conduct a joint site walk-through with the District staff at the completion of the pedestrian bridge relocation and ramp construction, and identify punch list items, if any, related to the construction work performed.
14. Upon City's acceptance of the construction work, the City shall be fully responsible for the following in perpetuity:
    a. Maintenance and repair of the new asphalt concrete pathway between Huntwood Avenue and new pedestrian ramp along south bank,
    b. Ownership, maintenance and repair of the relocated pedestrian bridge,
    c. Ownership, maintenance and repair of the newly constructed pedestrian bridge abutments and foundations,
    d. Ownership, maintenance and repair of the newly constructed pedestrian ramps and guard railings,
    e. Ownership, maintenance and repair of the newly constructed pedestrian curb ramp at Industrial Parkway W., at the base of the pedestrian ramp
15. The City shall be fully responsible for the implementation of public safety features associated with the pedestrian pathway.
16. The City shall supply water for irrigation of the new landscaping for two years (2012 and 2013), between May 1 and October 31, each year. Water usage is estimated at 3 gallons per plant or approximately 3,600 gallons per week, to be applied by water truck. In exchange for the water usage cost, the City will be released from further obligation to maintain City's portion of landscaping that was planted as part of the 1975 License Agreement. District will own and maintain all newly planted trees and shrubs. All vegetation will be planted within District Right-of-Way.
17. All other terms and conditions in the License Agreement executed on August 26, 1975, except as modified in this Agreement, shall remain in full force.

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: City Clerk
City Attorney

SUBJECT: Revisions to the Council Member Handbook

RECOMMENDATION

That Council adopts the attached resolution accepting the additions and revisions to the Council Member Handbook.

BACKGROUND

The Council Member Handbook, which is periodically updated, provides general information and Council procedures for the facilitation of its proceedings. The proposed 2010 additions include a reference to the Harassment Policy and the language related to Closed Session announcements. The proposed revisions are related to the Meetings Section, including the change of time of meetings, the revised agenda format; the additions to the Rules, Decorum, and Order section; and the section related to the City's appointed officials. The October 26, 2010 report on this subject[1] was referred to the Council Appointed Officers Committee for review and recommendation, as discussed further below.

DISCUSSION

On October 26, 2010, the Council referred the proposed additions and revisions to the Council Appointed Officers Committee for review and recommendation. The committee, which met December 1, 2010, paid particular attention to the proposed revisions relating to rules of decorum for the Council and the public. The proposed revisions contained in the October 26, 2010, report provide detailed procedures for addressing problematic behavior of members of the Council and a separate set of detailed procedures for addressing problematic behavior of members of the public.

[1] **http://www.hayward-ca.gov/citygov/meetings/cca/rp/2010/rp102610-08.pdf**

After discussion, the committee indicated its support for the proposed revisions with editing to clarify procedural steps and eliminate redundant language. Attachment I is the edited rules of decorum for the Council. Attachment II is the edited rules of decorum for the public. Attachment III is a proposed resolution accepting the changes to the Council Handbook.

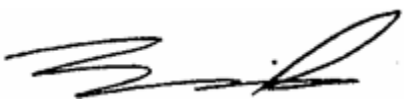
Although problematic behavior is not occurring, the committee feels it is important to have clear rules in place to address such behavior if it occurs, and to avoid the accusation that rules are being made up on an ad hoc basis to punish a particular member of the Council or public.

NEXT STEPS

A copy of the Council Handbook will be provided upon adoption of the proposed resolution and after all additions and revisions have been incorporated.

Recommended by: Miriam Lens, City Clerk and Michael Lawson, City Attorney

Approved by:



_____
Fran David, City Manager

Attachment I: Edited Rules of Decorum for the Council
Attachment II: Edited Rules of Decorum for the Public
Attachment III: Resolution Accepting Changes to the Council Handbook

DECORUM AND ORDER - COUNCIL MEMBERS

(a) Any Council Member desiring to speak shall address the Chair and, upon recognition by the Mayor, shall confine himself/herself to the question under debate.

(b) A Council Member desiring to question a staff member shall address his/her question to the City Manager, City Attorney, or the City Clerk in appropriate cases, who shall be entitled to answer the inquiry himself/herself or to designate some member of the staff for that purpose.

(c) A Council Member, once recognized, shall not be interrupted while speaking unless called to order by the Mayor; unless a Point of Order is raised by another Council Member; or unless the speaker chooses to yield to questions from another Council Member.

(d) Any Council Member challenged while speaking, shall cease speaking immediately until the question of order is determined. If ruled to be in order, he/she shall be permitted to proceed. If ruled to be not in order, he/she shall remain silent or shall alter his/her remarks so as to comply with rules of the Council.

(e) Council Members shall accord the utmost courtesy to each other, to City employees and to the public appearing before the Council, and shall refrain at all times from rude and derogatory remarks, reflections as to integrity, abusive comments, and statements as to motives and personalities.

(f) Any Council Member may move to require the Mayor to enforce the rules and the affirmative vote of a majority of the Council shall require him/her to so act.

(g) Section 611 of the City Charter provides that the City Council may determine its own rules of procedure, may punish its members for disorderly conduct, and compel their attendance at Council meetings.

Sanctions and Procedures for Violations of Rules of Decorum and Order

(h) Council Members who fail to observe these rules of Decorum and Order, or violate any state or federal law, the City Charter, or any City ordinance or policy, may be reprimanded or formally censured, lose seniority or committee assignments (both within the City of Hayward or with inter-government agencies), have official travel restricted, or be ordered to attend Council meetings, if the Council Member is absent without justification. Serious infractions of these rules of Decorum and Order could lead to other sanctions as deemed appropriate by the Council, including, but not limited to, referral to the Alameda County District Attorney and/or Civil Grand Jury if the conduct is egregious or allegedly criminal in nature. Council Members should point out to the offending Council Member any perceived infraction of these rules of Decorum

and Order as it occurs. No Council Member shall be reprimanded, sanctioned, or censured for the exercise of his or her First Amendment rights. However, nothing herein shall be construed to prohibit the City Council from individually or collectively condemning or expressing disapproval of behavior in violation of these rules.

(i) It is the responsibility of the Mayor to initiate formal action if a Council Member=s behavior may warrant reprimand, sanction, or censure. If no action is taken by the Mayor, action on the alleged violation may be placed on a future agenda for consideration by a majority of the full Council.

(j) Reprimand is the least severe form of action for a violation of these rules and may be issued by majority vote of the City Council without findings of fact or investigation. Reprimand is not considered a sanction or censure.

(k) Formal censure, loss of seniority or committee assignments, and travel restrictions may be requested by any Council Member in writing submitted to the Mayor. The written request must set forth specific allegations of violations of state or federal law, the City Charter, or City ordinances or policies, including these rules of Decorum and Order, upon which the proposed sanction is based. If the Mayor determines that the request for censure or sanction warrants Council consideration, the request shall be agendized for consideration by the Council at the next regularly scheduled Council meeting. If a majority of the Council wishes to take action on the request for sanction or censure, the request shall be scheduled for public hearing far enough in advance to give the affected Council Member adequate time to prepare a response to the request. The Council Member shall be given the opportunity to make opening and closing statements; to present or question witnesses; and is entitled to be represented by an advisor or counsel of his or her choosing. The Mayor, or the Mayor Pro Tempore if the Mayor is the subject of the sanction request, shall preside over the proceedings. The rules of evidence shall not apply. The City Attorney or his or her designee shall provide legal advice to the Council, as needed. A decision to censure or impose other sanction requires the adoption of a resolution containing findings with respect to the specific charges, based on substantial evidence, by a two-thirds vote of the Council.

DECORUM AND ORDER - PUBLIC

Members of the Public attending Council meetings shall observe the same rules of order and decorum applicable to the Council

Each person who addresses the Council from the podium shall do so in an orderly manner and shall not make personal, slanderous, or profane remarks to any member of the Council, staff, or general public. Any person who makes such remarks, or who utters loud, threatening, personal, or abusive language, or engages in any other disorderly conduct which disrupts, disturbs, or otherwise impedes the orderly conduct of any Council meeting, whether from the podium or in the audience, may, at the discretion of the Mayor after observance of the procedure for enforcement of decorum described below, be escorted from Council Chambers and barred from further audience before the Council during that meeting.

ENFORCEMENT OF DECORUM

The Chief of Police or his/her representative shall be ex-officio Sergeant -at-Arms of the Council. He/she shall carry out all orders and instructions given him/her by the Mayor for the purpose of maintaining order and decorum in the Council Chambers. Upon instructions from the Mayor, it shall be the duty of the Chief of Police or his/her representative to eject any person from the Council Chambers or place him/her under arrest or both.

As set forth in the Brown Act (Government Code Section 54957.9), in the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the members of the Council may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. Nothing in the section shall prohibit the legislative body from establishing a procedure for readmitting an individual or individuals not responsible for willfully disturbing the orderly conduct of the meeting.

Decorum and order shall be enforced in the following manner:

(a) Warnings. The Mayor shall ask that any person violating the rules of decorum be orderly and silent. The warning shall be in substantially the form described below. If, after receiving a clear warning from the Mayor, the person persists in disturbing the meeting, the Mayor may order a brief recess of the Council to regain order. If the person persists in disturbing the meeting, despite having been previously warned, the Mayor may order him or her to leave the Council meeting. If the person does not depart the Council chambers of his or her own volition,

the Mayor may order any law enforcement officer who is on duty at the meeting as Sergeant-at-Arms of the Council to escort that person from the Council chambers.

(b) Text for Warning. The Mayor shall deliver the requisite warning in substantially the following form:

> You are hereby advised that your conduct is in violation of the Rules of Order and Decorum of the City Council and California Penal Code Section 403, and you are directed to be orderly and silent. Penal Code Section 403 states that any person who, without authority of law, willfully disturbs or breaks up a lawfully convened meeting of the City Council is guilty of a misdemeanor. Continued disruption of this City Council meeting will result in your removal from the meeting by the Sergeant-at-Arms and you will not be permitted to return to Council chambers for the duration of the meeting. In addition, any continued disruption of this meeting is grounds for your being arrested and charged with a misdemeanor. Do you understand this admonition?

(c) Removal. Any law enforcement officer who is serving as Sergeant-at-Arms of the Council shall carry out all orders and instructions given by the Mayor for the purpose of maintaining order and decorum at the Council meeting. Upon instruction of the Mayor, it shall be the duty of the Sergeant-at-Arms to remove from the Council meeting any person who is disturbing the proceedings of the Council. Removal of a disruptive member of the public from Council chambers shall be accomplished by the Sergeant-at-Arms or other sworn law enforcement officers only.

(d) Misdemeanor. Any person who willfully disturbs or breaks up a Council meeting may be arrested and charged with a misdemeanor, pursuant to California Penal Code Section 403.

(e) Motion to Enforce. If the Mayor fails to enforce the rules set forth above, any member of the Council may move to require the Mayor to do so and, by an affirmative vote of a majority of the Council, shall require the Mayor to do so. If the Mayor of the Council fails to carry out the will of a majority of the Council, the majority may designate the Mayor Pro Tempore to act as Presiding Officer for the limited purpose of enforcing these rules of decorum.

Attendance at Council Meetings does not provide individuals or groups immunity of protection when their conduct is in violation of any other laws (California Penal Code, City of Hayward Municipal Code, etc.). The Sergeant-at-Arms should and will be called upon by the Mayor to enforce these laws at Council Meetings.

ATTACHMENT III

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-

Introduced by Council Member

RESOLUTION ACCEPTING THE ADDITIONS AND
REVISIONS TO THE COUNCIL MEMBER HANDBOOK

BE IT RESOLVED that the City Council of the City of Hayward hereby accepts the additions and revisions to the Council Member Handbook.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL: MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST:_____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: City Clerk

SUBJECT: Adoption of Ordinance Amending Chapter 11, Article 4 of the Hayward Municipal Code by Adding Section 11-4.29 Thereto Relating to Underground District No. 29

RECOMMENDATION

That the City Council adopts the Ordinance introduced on December 7, 2010.

BACKGROUND

The ordinance was introduced by Council Member Peixoto at the December 7, 2010, meeting of the City Council with the following vote:

AYES:	Council Members:	Zermeño, Halliday, Peixoto, Salinas, Henson
	Mayor	Sweeney
NOES:	Council Members:	None
ABSENT:	Council Members:	Quirk
ABSTAIN:	Council Members:	None

The ordinance was published in the Hayward Daily Review on Saturday, December 11, 2010. Adoption at this time is therefore appropriate.

Recommended by: Miriam Lens, City Clerk

Approved by:

Fran David, City Manager

Attachment I: Draft Ordinance Published on December 11, 2010

PUBLIC NOTICE OF AN INTRODUCTION OF AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF HAYWARD

AN ORDINANCE AMENDING ARTICLE 4, CHAPTER 11 OF THE HAYWARD MUNICIPAL CODE BY ADDING SECTION 11-4.2 9THERETO RELATING TO UNDERGROUND DISTRICT NO. 29

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Article 4, Chapter 11 of the Hayward Municipal Code is hereby amended by adding thereto Section 11-4.29, to read in full as follows:

SEC. 11-4.29 UNDERGROUND DISTRICT NO. 29. The following described area in the City of Hayward is hereby designated as an underground district, to-wit:

Mission Boulevard from A Street to the north City limit

Section 2. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

Introduced at a meeting of the Hayward City Council held December 7, 2010, the above-entitled ordinance was introduced by Council Member Peixoto.

This ordinance will be considered for adoption at the next meeting of the Hayward City Council, to be held on December 14, 2010, at 7:00 p.m., in the Council Chamber, 777 B Street, Hayward, California. The full text of this ordinance is available for examination by the public in the Office of the City Clerk.

Dated: December 11, 2010
Miriam Lens, City Clerk
City of Hayward

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: City Clerk

SUBJECT: Adoption of Ordinance Amending Chapter 11, Article 4 of the Hayward Municipal Code by Adding Section 11-4.30 Thereto Relating to Underground District No. 30

RECOMMENDATION

That the City Council adopts the Ordinance introduced on December 7, 2010.

BACKGROUND

The ordinance was introduced by Council Member Henson at the December 7, 2010, meeting of the City Council with the following vote:

AYES:	Council Members:	Zermeño, Halliday, Peixoto, Salinas, Henson
	Mayor	Sweeney
NOES:	Council Members:	None
ABSENT:	Council Members:	Quirk
ABSTAIN:	Council Members:	None

The ordinance was published in the Hayward Daily Review on Saturday, December 11, 2010. Adoption at this time is therefore appropriate.

Recommended by: Miriam Lens, City Clerk

Approved by:

Fran David, City Manager

Attachment I: Draft Ordinance Published on December 11, 2010

PUBLIC NOTICE OF AN INTRODUCTION OF AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF HAYWARD

AN ORDINANCE AMENDING ARTICLE 4, CHAPTER 11 OF THE HAYWARD MUNICIPAL CODE BY ADDING SECTION 11-4.30 THERETO RELATING TO UNDERGROUND DISTRICT NO. 30

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Article 4, Chapter 11 of the Hayward Municipal Code is hereby amended by adding thereto Section 11-4.30, to read in full as follows:

SEC. 11-4.30 UNDERGROUND DISTRICT NO. 30. The following described area in the City of Hayward is hereby designated as an underground district, to-wit:

Mission Boulevard from 700 feet south of Arrowhead Way to the south City limit

Section 2. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

Introduced at a meeting of the Hayward City Council held December 7, 2010, the above-entitled ordinance was introduced by Council Member Henson.

This ordinance will be considered for adoption at the next meeting of the Hayward City Council, to be held on December 14, 2010, at 7:00 p.m., in the Council Chamber, 777 B Street, Hayward, California. The full text of this ordinance is available for examination by the public in the Office of the City Clerk.

Dated: December 11, 2010
Miriam Lens, City Clerk
City of Hayward

CITY OF
HAYWARD
HEART OF THE BAY

___15___

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Approval of Drought Implementation Plan

RECOMMENDATION

That Council adopts the attached resolution approving the Tier 2 Drought Implementation Plan for allocating water among wholesale water customers of San Francisco Public Utilities Commission during water supply shortages.

SUMMARY

The Drought Implementation Plan (Plan) has been developed in cooperation with other wholesale customers of San Francisco Public Utilities Commission (SFPUC) water. The Plan would allocate available water among wholesale customers in the event of a declared drought situation. The most significant feature of the formula is that it takes into account, in part, differences between summertime (i.e. irrigation) and wintertime (i.e. indoor) water use and relates the allocations to changes in seasonal usage. Agencies with comparatively larger summertime usage are presumed to have more discretion for reducing water use during a drought, and, therefore, their cutbacks are larger. Hayward benefits from this methodology because its usage is less affected by seasonal changes than are some other wholesale customers. Based on current usage, Hayward's cutback during a major drought as a result of the proposed Plan would be about 17% below the City's usage in the preceding year. This percentage reduction is well below the average cutback required collectively of all wholesale customers.

BACKGROUND

In the early 1960s, the City of Hayward entered into an agreement with the San Francisco Public Utilities Commission (SFPUC) to obtain water from SFPUC's Hetch Hetchy system. This agreement between the City and SFPUC states that SFPUC will provide Hayward with a sufficient quantity of water to supply Hayward's needs on a permanent basis, unless adequate water is not available due to supply conditions. If precipitation is below normal, and insufficient supplies exist to meet demand, SFPUC has the authority to limit water deliveries. This would affect all SFPUC wholesale customers, including Hayward. A critical issue among the twenty-six wholesale

customers of SFPUC water is the method by which available water is apportioned during periods of water supply shortages. In 2001, the City Council approved the Interim Water Shortage Allocation Plan. This interim Plan was made up of two parts:

- Tier 1 - allocated available water between SFPUC and the wholesale customers; and
- Tier 2 – allocated the wholesale customer share of the water among such customers.

The Interim Water Shortage Allocation Plan expired on June 30, 2009.

The City Council approved the present Tier 1 Plan, related to the allocation between SFPUC and wholesale customers during system-wide shortages, in July 2009 as part of the 2009 Water Supply Agreement (WSA). Under the provisions of the Tier 1 Plan, a 20% system-wide reduction target would result in an overall cutback of 27% for wholesale customers collectively, and an overall cutback of 10% for San Francisco retail customers. The difference in percent cutbacks can be explained by the differences in land use and water usage. San Francisco is a high-density urban environment with less outdoor water use. Wholesale customers, for the most part, are typically suburban entities with larger lot sizes and higher outdoor irrigation usage.

The Tier 2 Plan addresses allocations of available water supplies among wholesale customers, and is the subject of this report. The WSA allows the wholesale customers to adopt a new Tier 2 Plan for allocating water that is collectively available to them and requires that SFPUC honor the allocations if the methodology is unanimously agreed upon by all wholesale customers.

The expired Tier 2 Plan was never activated because no water shortages were formally declared during its term. It was based on a formula that averaged three water supply factors:

1. The amount of water that SFPUC has agreed to supply each agency, (i.e., individual supply guarantees or ISGs);
2. Average water use by each agency during the fixed three-year period of FYs 1996-97, 1997-98, and 1998-99; and
3. Average water use by each agency in the three years immediately preceding the water shortage.

While the formula has some positive aspects, it was felt that, after ten years, it would be beneficial to review the principles and methodology. In particular, the previous method did not specifically consider seasonal variation and the differences among agencies in summer water use and winter water use (also known as base use).

For the past year, the authorized staff representatives for all of the twenty-six Bay Area Water Supply and Conservation Agency (BAWSCA) member agencies have been working together to develop a new Tier 2 Drought Implementation Plan. BAWSCA staff facilitated the discussions and provided technical analysis. The proposed methodology was unanimously agreed upon by all

agencies at the staff level and now the governing bodies of each wholesale customer must approve the methodology in order for it to be legally binding.

DISCUSSION

In order to guide the discussion of a fair and equitable allocation of water resources, the following set of principles was developed collectively by the authorized staff representatives of BAWSCA agencies, following internal discussions within each agency:

- Provide certainty of drought allocations with consistent and pre-determined rules for calculation;
- Provide sufficient amounts of water for basic needs of customers;
- Create an incentive for water conservation at all times and for the development and management of alternative water supplies;
- Avoid preventable, adverse economic impacts;
- Avoid reallocation of water supply assets and investments among agencies without mutual consent and compensation; and
- Recognize inherent differences in land use and climate.

During discussions among all of the BAWSCA agencies, two factors emerged as most critical in varying degrees for almost all of the agencies: 1) recognition that some agencies use significantly higher amounts of water for outdoor irrigation purposes, which by its nature is more discretionary and in some ways easier to reduce; and 2) recognition of ISGs, which are contractual rights held by agencies under their individual supply agreements with SFPUC. Agencies also expressed interest in ensuring that they were not penalized for implementing water conservation and that agencies with already low per-capital usage would have sufficient water to meet the basic health and safety needs of their citizens.

Over the course of nearly a year, a number of possible methodologies were suggested, prepared, discussed, and then either retained for further consideration or discarded. In the end, agency representatives agreed on a formula that gave one-third weight to ISGs and two-thirds weight to seasonal differences in water use (i.e. wintertime or base usage compared to summertime or seasonal usage). The formula also includes minor adjustments to address some anomalous situations. The proposed Plan (see Attachment I-a) is, in staff's view, inherently more equitable than the expired version. The Plan, if approved by all agencies, would be in effect through December 31, 2018.

<u>Description of Proposed Drought Implementation Plan</u>

In general, the allocation methodology incorporates the following factors:

1. 33.3% weight applied to each agency's ISG;

2. 66.6% weight applied to a base/seasonal calculation in consideration of the differences in outdoor irrigation use;

3. Limits on minimum and maximum cutbacks; and

4. Guaranteed sufficient supply of water to the City of East Palo to meet health and safety needs for its community.

The following paragraphs will briefly describe each of the four factors:

Individual Supply Guarantee -The ISG is a contractual arrangement between each agency and SFPUC in that the ISG states how much water the agency may receive from SPFUC under normal conditions. The ISGs were developed over twenty-five years ago and do not necessarily reflect current water use patterns. Nonetheless, they have legal standing for agencies that have ISGs. Hayward's contract with SFPUC is unique in that it does not include a pre-set ISG, but rather states that SFPUC will provide Hayward with the water that it needs in perpetuity. In the absence of an ISG, Hayward's projected usage in 2018 (the year that the Drought Implementation Plan would expire) has been used for the ISG factor in the formula. This is conceptually identical to the previous Plan, in which Hayward's 2009 projected use was substituted for the ISG.

Base/Seasonal Usage - The base/seasonal factor is based on the premise that the significant variation among agencies in the amount of water used for irrigation purposes during the dry months should be a consideration in allocating water in times of supply shortage. Irrigation water use is, by its nature, more discretionary and controllable, while indoor water use has become increasingly difficult to reduce due to more efficient plumbing fixtures. The methodology compares base use to seasonal use, over a three-year period, and assigns a higher reduction factor to agencies with higher seasonal outdoor water use. Hayward's water use is less affected by seasonal changes than is the case for some other agencies due to our relatively lower amount of residential landscaping. Thus, Hayward benefits from this change to the formula.

Minimum/Maximum Cutbacks - Reasonable minimum and maximum reductions were established to maintain a fair and equitable distribution of drought impacts. The minimum cutback is 10%, while the maximum cutback would be equal to the average cutback plus 20%. Without the imposition of these levels, a situation could exist where one or two agencies would have to cut back very little or not at all, while other agencies would have cutbacks exceeding 50%.

Sufficient Supply to East Palo Alto - Because of the City of East Palo Alto's very low per-capita water use, in combination with their extremely low ISG, the cutbacks under the formula would leave this community with insufficient water to meet basic health and safety needs during a drought. Agencies agreed that this is unreasonable, and the formula includes adjustments to remediate the situation. The adjustment for East Palo Alto, as well as establishment of maximum cutbacks, has a slight negative impact on Hayward.

Water Use Reductions under the Proposed Plan

Water use reductions among agencies vary widely under the proposed Plan. Assuming a system-wide reduction of 20%, which under the terms of the Tier 1 plan with SFPUC would require wholesale customers to collectively cut back by 27%, and based on actual FY 2008-09 water

usages, the reductions would range from 10% to 47%. The majority of agencies, eleven in total, would be in the 20% to 30% range. Seven of the agencies would need to cut back by more than 30%, while eight would be required to cut back by less than 20%. Hayward would fall into the last group, with a reduction of 17% over its FY 2008-09 usage. Under the now expired Plan, Hayward's reduction during a similar drought would have been in the 24% range.

Projecting the impact of the methodology in the future is more difficult because of the inherent uncertainty of future water use. While the percentage cutback would be expected to increase as we get closer to the Plan expiration in 2018, the actual cutbacks would depend on a number of variables, such as economic activity, residential and business development, and climate conditions. The best gauge of future reductions is based on projected water usage. Using water demand projections for 2018, Hayward's cutback would be expected to be 21%, still well below the 27% average.

It is important to note that, due to a variety of factors, the overall regional water consumption decreased by 8% last year and is continuing to go down. Contributing factors include climate conditions (a generally cooler and wetter spring, followed by a cooler-than-normal summer), economic conditions, and more efficient use of water. If this trend continues, or if water use levels off but does not increase, two impacts may occur. First, it will delay the need for or decrease the magnitude of drought-related cutbacks. Second, in the event that a drought is severe enough to require a 20% system-wide reduction, the implementation will be more difficult for all local agencies, including Hayward, given that consumption has already been reduced voluntarily.

ECONOMIC IMPACT

Approval of the Drought Implementation Plan does not, in and of itself, have an economic impact. However, water supply shortages inevitably result in economic impacts on a community, the magnitude of which depend upon how severe the cutbacks are and how they are implemented at the local level. Economic impacts typically are in the form of financial penalties imposed for using a quantity of water that exceeds the allocation.

Penalties will be assessed for exceeding the allocation, regardless of the methodology for determining those allocations. However, if the BAWSCA member agencies do not approve the proposed Drought Implementation Plan, percentage cutbacks would be imposed by another entity, such as the BAWSCA Board of Directors or SFPUC. There is no guarantee that either of these bodies would adopt the proposed formula. Therefore, it is in the wholesale customers' collective best interest to approve the proposed Plan, which SFPUC would be then be obligated to honor.

If and when a drought occurs, the manner in which Hayward customers would achieve the required cutback would be brought before the City Council and would include a discussion of economic impacts to the community. During the previous declared drought, in the late 1980s and early 1990s, Hayward utilized a "sliding percentage scale" that provided households with a water allocation based on a percentage reduction over a fixed year. Customers who used large amounts of water in the base year were required to reduce by the greatest percentage, while those that used smaller amounts had a smaller reduction. Adjustments were made to certain water-intensive businesses to

minimize business disruption. This approach may or may not be the Council's direction in a future drought, however, it is important to stress that the Drought Implementation Plan under consideration addresses only system-wide reductions, not local agency rationing programs.

FISCAL IMPACT

As with economic impacts, there are no direct fiscal impacts associated with approving the Drought Implementation Plan. In the event of water shortage, the WSA allows for the implementation of excess use charges by SFPUC, as has been the past practice, such that additional charges are incurred if agencies exceed their allocations. The charges would be in the form of multipliers applied to the regular water rates in effect at the time of the water shortage. Further fiscal impacts may occur due to additional staffing needs to implement drought policies and procedures, but those would be brought to the City Council at that time for direction and approval.

PUBLIC CONTACT

Public contact was not initiated for this action. However, in the event of a drought, ample opportunity would be provided for citizen and business input into an effective and equitable local rationing program for the City of Hayward.

NEXT STEPS

All wholesale customers must adopt the Drought Implementation Plan by June 30, 2011 in order for it to go into effect. However, the preference is to have all agencies approve the Plan by March 31, 2011 so that work can proceed on the Urban Water Management Plans, which are due by July 1, 2011 and which must include a discussion of water supply reliability in dry years. Assuming the Plan is adopted by all agencies, it will be effective as soon as the last agency has approved it and will remain in effect through December 31, 2018.

Prepared by: Alex Ameri, Deputy Director of Public Works

Recommended by: Robert A. Bauman, Director of Public Works

Approved by:

_____

Fran David, City Manager

Attachments:

Attachment I: Draft Resolution
Attachment I-a: Tier 2 Drought Implementation Plan

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-____

Introduced by Council Member _____

RESOLUTION APPROVING THE TIER 2 DROUGHT IMPLEMENTATION PLAN PURSUANT TO SECTION 3.11.C OF THE WATER SUPPLY AGREEMENT WITH SAN FRANCISCO

WHEREAS, the City of Hayward is one of 26 agencies in Alameda, San Mateo, and Santa Clara Counties which purchase water from the City and County of San Francisco (San Francisco) pursuant to a Water Supply Agreement entered into in 2009 (Agreement). Collectively, these 26 agencies are referred to in the Agreement as Wholesale Customers; and

WHEREAS, Section 3.11 of the Agreement addresses times when insufficient water is available in the San Francisco Regional Water System to meet the full demand of all users. Section 3.11.C provides that during periods of water shortage caused by drought, the San Francisco Public Utilities Commission (SFPUC) will allocate available water between its retail customers and the Wholesale Customers collectively, in accordance with a schedule contained in the Water Shortage Allocation Plan set forth in Attachment H to the Agreement (Tier 1 Plan); and

WHEREAS, Section 3.11.C authorizes the Wholesale Customers to adopt a Drought Allocation Plan, including a methodology for allocating the water which is collectively available to the 26 Wholesale Customers among each individual Wholesale Customer (Tier 2 Plan). It also commits the SFPUC to honor allocations of water unanimously agreed upon by all Wholesale Customers or, if unanimous agreement cannot be achieved, water allocations that have been adopted by the Board of Directors of the Bay Area Water Supply and Conservation Agency (BAWSCA); and

WHEREAS, commencing in October 2009, representatives appointed by the managers of each of the Wholesale Customers have been meeting to develop a set of principles to serve as guidelines for an equitable allocation methodology, as well as formulas and procedures, to implement those principles; and

WHEREAS, the Tier 2 Plan, attached to this resolution as Exhibit A, has been endorsed by all of the Wholesale Customer representatives who participated in the formulation process; and

WHEREAS, the Tier 2 Plan allocates the collective Wholesale Customer share among each of the 26 wholesale customers through December 31, 2018.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward as follows:

1. The Tier 2 Drought Implementation Plan, a copy of which is attached hereto as Exhibit A, is approved.

2. This approval is conditioned upon all of the other 25 Wholesale Customers approving the Plan, such approvals being evidenced through the adoption of similar resolutions or, in the case of private sector organizations, by other equivalently binding written commitments signed by an executive officer acting within the scope of delegated authority, and all such approvals occurring on or before June 30, 2011.

   If such resolutions or binding commitments are not adopted by that date, this resolution will automatically expire and be of no further effect after June 30, 2011, unless it has been extended prior thereto by further action of this City Council.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

EXHIBIT A

TIER 2 DROUGHT IMPLEMENTATION PLAN AMONG WHOLESALE CUSTOMERS

This Tier 2 Drought Implementation (Plan) describes the method for allocating the water made available by the San Francisco Public Utilities Commission (SFPUC) among the Wholesale Customers during shortages caused by drought. This Plan is adopted pursuant to Section 3.11.C of the July 2009 Water Supply Agreement between the City and County of San Francisco and the Wholesale Customers (Agreement).

SECTION 1. APPLICABILITY AND INTEGRATION

Section 1.1 **Applicability**. This Plan applies when, and only when, the SFPUC determines that a system-wide water shortage of 20 percent or less exists, as set forth in a declaration of water shortage emergency adopted by the SFPUC pursuant to California Water Code Sections 350 *et seq.* This Plan applies only to water acquired and distributed by the SFPUC to the Wholesale Customers and has no effect on water obtained by a Wholesale Customer from any source other than the SFPUC.

Section 1.2 **Integration with Tier 1 Water Shortage Allocation Plan**. The Agreement contains, in Attachment H, a Water Shortage Allocation Plan which, among other things, (a) provides for the allocation by the SFPUC of water between Direct City Water Users (e.g., retail water customers within the City and County of San Francisco) and the Wholesale Customers collectively during system-wide water shortages of 20 percent or less, (b) contemplates the adoption by the Wholesale Customers of this Plan for allocation of the water made available to Wholesale Customers collectively among the 26 individual Wholesale Customers, (c) commits the SFPUC to implement this Plan, and (d) provides for the transfer of both banked water and shortage allocations between and among the Wholesale Customers and commits the SFPUC to implement such transfers. That plan is referred to as the Tier 1 Plan.

The Tier 1 Plan also provides the methodology for determining the Overall Average Wholesale Customer Reduction, expressed as a percentage cutback from prior year's normal SFPUC purchases, and Overall Wholesale Customer Allocation, in million gallons per day, both of which are used in determining the Final Allocation Factor for each Wholesale Customer. The Overall Average Wholesale Customer Reduction is determined by dividing the volume of water available to the Wholesale Customers (the Overall Wholesale Customer Allocation), shown as a share of available water in Section 2 of the Tier 1 Plan, by the prior year's normal total Wholesale Customers SFPUC purchases and subtracting that value from one.

This Plan is referred to in the Agreement as the Tier 2 Plan. It is intended to be integrated with the Tier 1 Plan described in the preceding paragraph. Terms used in this Plan are intended to have the same meaning as such terms have in the Tier 1 Plan.

SECTION 2. ALLOCATION OF WATER AMONG WHOLESALE CUSTOMERS

Section 2.1 **Annual Allocations Among the Wholesale Customers**. The annual water supply allocated by the SFPUC to the Wholesale Customers collectively during system-wide shortages of 20 percent or less shall be apportioned among them based on the methodology described in this Section.

Section 2.2 **Methodology for Allocating Water Among Wholesale Customers**. The water made available to the Wholesale Customers collectively will be allocated among them in proportion to each Wholesale Customer's Allocation Factor, adjusted as described in the following subsections below. The Wholesale Customer Allocation Factors will only be calculated at the onset of a drought and will remain the same until such time as the SFPUC declares the shortage condition over. The Wholesale Customer Allocation Factors will be recalculated during subsequent shortage periods for use during those specific periods.

Section 2.2.1 **Step One: Determination of Base/Seasonal Purchase Cutback For Each Wholesale Customer**. The first step requires calculating the Wholesale Customer's Base/Seasonal Purchase Cutback. This calculation has seven parts. An example of Steps 1b-1f is presented in Table 2. Step 1g is shown in columns 3-6 in Table 3. For steps 1b-1g, the calculation uses average monthly production values for the three years preceding the drought for all potable supply sources, expressed as a monthly value in hundred cubic feet:

- Step 1a: Each agency's total annual purchases from the SFPUC will be compared to its Individual Supply Guarantee (ISG), with any annual purchases above its ISG subtracted from that agency's total annual SFPUC purchases by subtracting the amount on a monthly basis in proportion to the agency's monthly SFPUC purchase pattern,

- Step 1b: Calculate Average Monthly and Total Production for the three fiscal years immediately preceding the drought, excluding years during which shortage allocations were in effect, based on monthly production data from the SFPUC and Wholesale Customers,

- Step 1c: Calculate Base Component which is equal to the Average Monthly Production during the base months of December, January, February and March, multiplied by 12,

- Step 1d: Calculate Seasonal Component as the difference between Total Production and Base Component,

- Step 1e: Calculate an agency's Base/Seasonal Allocation , expressed in hundred cubic feet, by multiplying the Base Component by one minus the Base Reduction Percentage, or 90%, and the Seasonal Component by the percentage needed

(Seasonal Reduction Percentage) to achieve the required Overall Average Wholesale Customer Reduction, which is expressed as a percentage,

- Step 1f: Calculate the Base/Seasonal Allocation Cutback Percentage for each agency by dividing its Base/Seasonal Allocation by the agency's Total Production, and

- Step 1g: Calculate the Base/Seasonal Purchase Cutback Percentage by multiplying the Base/Seasonal Allocation Cutback percentage times the lesser of: (a) the immediately preceding SFPUC purchases or (b) ISG, adjusting the Seasonal percentage above until the total reduction equals the Overall Average Wholesale Customer Reduction.

Additionally, adjustments to the Base Component for Stanford University will be made to remove that two week time period that the University is completely closed during the winter break per policy set by the University President as long as that policy remains in place. This adjustment will be removed at such time as the seasonal closure policy is terminated by Stanford University.

Section 2.2.2 <u>Step Two: First Adjustment for San Jose and Santa Clara</u>. The resulting Base/Seasonal Purchase Cutback Percentage in Section 2.2.1 for San Jose and Santa Clara will be compared to the highest Base/Seasonal Purchase Cutback percentage of the other Wholesale Customers. If both San Jose's and Santa Clara's percentage reductions are larger than the highest percentage reduction among any other Wholesale Customers, the Base/Seasonal Purchase Cutback percentage established under Section 2.2.1 will remain unchanged. If either San Jose's percentage cutback or Santa Clara's percentage cutback, or both, is smaller than the highest Base/Seasonal Purchase Cutback percentage of other Wholesale Customers, the Base/Seasonal Allocation (in mgd) of San Jose or Santa Clara, or both, will be reduced so that the percentage cutback of each is no smaller than that of the Wholesale Customers' otherwise highest percentage cutback. The amount of shortage allocation (in mgd) removed from San Jose and/or Santa Clara will be reallocated among the remaining Wholesale Customers in proportion to the Base/Seasonal Allocation of each.

Section 2.2.3 <u>Step Three: Determination of Weighted Purchase Cutback For Each Wholesale Customer</u>. Each agency's weighted allocation is calculated by multiplying its Adjusted Base/Seasonal Allocation in Section 2.2.2 by 66.66% and its Fixed Component by 33.33%. The Fixed Component is (i) the Wholesale Customer's ISG provided for in the Agreement, or (ii) in the case of Hayward, 25.11 mgd, or (iii) in the case of San Jose and Santa Clara, consistent with the limit on purchases from SFPUC set forth in Section 4.05 of the Agreement, e. g., 4.5 mgd each. The amount of the Fixed Component for each Wholesale Customer is shown on Table 1.

Section 2.2.4 <u>Step Four: Second Adjustment for San Jose and Santa Clara</u>. The resulting Weighted Allocations for San Jose and Santa Clara will be compared to the highest Weighted Purchase Cutback, shown as a percentage, of the other Wholesale

Customers. If both San Jose's and Santa Clara's percentage cutback is larger than the highest percentage cutback among other Wholesale Customers, the Weighted Purchase Cutbacks established under Section 2.2.3 will remain unchanged. If either San Jose's percentage cutback or Santa Clara's percentage cutback, or both, is smaller than the highest percentage cutback of any other Wholesale Customers, the Weighted Shortage Allocation (in mgd) of San Jose or Santa Clara, or both, will be reduced so that the percentage reduction of each is no smaller than that of the Wholesale Customers' otherwise highest Weighted Percentage Cutback. The amount of allocation (in mgd) removed from San Jose and/or Santa Clara will be reallocated among the remaining Wholesale Customers in proportion to the Weighted Shortage Allocation of each.

Section 2.2.5 **Step Five: Adjustment for Minimum and Maximum Cutbacks**. Using the Adjusted Weighted Purchase Cutbacks, either a 10% minimum cutback or maximum cutback, as defined below, is applied to any agency whose Adjusted Weighted Purchase Cutback falls outside this range:

- A minimum 10% cutback is applied to the individual agency Adjusted Weighted Allocation, with the reapportioned water being placed in the hardship bank for allocation to East Palo Alto.

- A maximum cutback of the average cutback plus 20% (e.g. 15% average cutback results in a maximum cutback of 15% + 20% = 35%) is applied to the individual agency Adjusted Weighted Allocation, with the water necessary to meet that level being subtracted in proportion to each Wholesale Customer's Adjusted Weighted Allocation from all remaining agencies, except those at agencies subject to the minimum cutback above.

The result is the Adjusted Minimum/Maximum Purchase Cutback, expressed as a percentage.

Section 2.2.6 **Step Six: Adjustment to Provide Sufficient Supply for East Palo Alto**. In order to provide for sufficient water supply for water customers served by the City of East Palo Alto (EPA), the maximum Final Purchase Cutback applied at any given time to EPA will be equal to 50% of the Overall Average Wholesale Customer Reduction. The water needed to accommodate the guaranteed maximum cutback to EPA will be provided in two ways:

- First, water from the hardship bank provided by the 10% minimum cutback will be first added to the EPA Adjusted Weighted Purchase Allocation, and

- Second, the balance of water needed for EPA will be deducted on a prorated basis from those agencies with a pre-drought residential per capita water use greater than 55 gallons per capita per day (as documented in the most recent BAWSCA Annual Survey) in proportion to each agency's Min./Max. Adjusted Allocation and who are not subject to the minimum and maximum reductions already applied per Section 2.2.5

The result is the Allocation with EPA Adjustment, expressed as an mgd.

Section 2.2.7 Step Seven: Determination of Final Allocation Factor. Each Wholesale Customer's Final Allocation Factor is the fraction expressed as a percentage, the numerator of which is the particular Wholesale Customer's "Final Allocation with EPA Adjustment" (in mgd) as calculated in Steps One through Six and the denominator of which is the Overall Wholesale Customer Allocation (in mgd), a number provided by the SFPUC during the drought period as determined by the SFPUC in the Tier 1 Plan.

Section 2.2.8 Example Calculation. Table 2 presents a sample of the calculations involved in Steps 1b-1f. Table 3 presents a sample of the calculations involved in Step 1g and Steps Two through Seven, using the values from Tables 1 and 2 and recent water use data for the other values. Tables 2 and 3 are presented for illustrative purposes only and do not supersede the foregoing provisions of this Section 2.2. In the event of any inconsistency between this Section 2.2 and Tables 2 and 3, the text of this section will govern.

Section 2.3 Calculation of Individual Wholesale Customer Allocation Factors; Directions to SFPUC. The Tier 1 Plan contemplates that in any year in which the methodology described above must be applied, the Bay Area Water Supply and Conversation Agency (BAWSCA) will calculate each Wholesale Customer's individual percentage share of the amount of water made available to the Wholesale Customers collectively, following the methodology described above and defined above as Wholesale Customer Allocation Factors. The Tier 1 Plan requires SFPUC to allocate water to each Wholesale Customer in accordance with calculations delivered to it by BAWSCA.

Each Wholesale Customer authorizes BAWSCA to perform the calculations required, using water sales data furnished to it by the SFPUC, and to deliver to SFPUC a list of individual Wholesale Customer Allocation Factors so calculated as contemplated by the Tier 1 Plan. Neither BAWSCA nor any officer or employee of BAWSCA shall be liable to any Wholesale Customer for any such calculations made in good faith, even if incorrect.

SECTION 3. GENERAL PROVISIONS

Section 3.1 No Third-Party Beneficiaries. This Plan is for the sole benefit of the Wholesale Customers and shall not be construed as granting rights to any person other than another Wholesale Customer.

Section 3.2 Governing Law. This Plan is made under and shall be governed by the laws of the State of California.

Section 3.3 Effect on Water Supply Agreement. This Plan describes the method for allocating water from the SFPUC among the Wholesale Customers during system-wide water shortages of 20 percent or less declared by the SFPUC. The provisions of this

Plan, and the Tier 1 Plan contained in Attachment H to the Agreement with which it is integrated, are intended to implement Section 3.11 of the Agreement. The Plans do not affect, change or modify any other section, term or condition of the Agreement or of the individual Water Sales Contracts between each Wholesale Customer and San Francisco.

Section 3.4 **Amendment**. This Plan may be amended only by the written agreement of all Wholesale Customers.

Section 3.5 **Termination**. This Plan shall expire on December 31, 2018. It may be terminated prior to that date only by the written agreement of all Wholesale Customers.

CITY OF
HAYWARD
HEART OF THE BAY

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Maret Bartlett, Redevelopment Director

SUBJECT: Inclusionary Housing Interim Relief Ordinance

RECOMMENDATION

That the City Council adopts the attached resolution finding that enactment of the Ordinance Providing Interim Relief from Certain Inclusionary Housing Provisions is exempt from CEQA because the Relief Ordinance does not have the potential for causing a significant effect on the environment (CEQA Guidelines Section 15061(b) (3)) and introduces the attached Relief Ordinance.

SUMMARY

The Relief Ordinance proposes the following temporary measures to the City's existing Inclusionary Housing Ordinance (IHO) effective until December 31, 2012:

- reduces the inclusionary housing percentage from 15% to 10% for single family housing and to 7.5% for condominiums, townhomes, and other attached housing;
- allows a developer to pay an inclusionary housing in-lieu fee "by right" rather than providing units on site, at the developer's option;
- allows a developer to defer payment of inclusionary in-lieu fees until close of escrow or up to one year after issuance of a certificate of occupancy; and
- in compliance with recent case law, does not impose any inclusionary requirements on a rental housing development that is approved without a subdivision or condominium map unless it receives some type of City assistance.

The Relief Ordinance does not modify the City's existing inclusionary housing in-lieu fee of $80,000 per inclusionary unit, as staff recommends that the City not modify any existing fees until the impact of Proposition 26 are further clarified.

BACKGROUND

The City's IHO is a cornerstone of its municipal planning and is a tool for balancing residential growth and jobs in the local economy (i.e., the "jobs-housing balance"). The IHO is a policy specifically adopted by the City as part of its General Plan Housing Element and Consolidated Plan for federal funding. It has also been included in the Redevelopment Agency's Five-Year Implementation Plan as a method to achieve the Agency's affordable housing production

requirements. The IHO has been an integral part of residential development in Hayward and assists the City in providing adequate housing for all of its constituents.

On June 29, 2010 and again on September 14, 2010 and September 28, 2010[1], the City Council considered temporary relief measures for residential developers who are required under the IHO to set aside units for affordable housing development and/or pay a fee in lieu of producing the units. Many alternatives were offered, and Council directed staff to return with interim relief measures centered on a lowering of fees paid in lieu of constructing affordable housing for most housing product types[2], as well as allowing developers to pay in-lieu fees "by right" and delaying payment of fees to close of escrow or up to one year after issuance of a Certificate of Occupancy. The Council also discussed a range of concerns regarding inclusionary requirements for rental projects.

Impact of Prop. 26: On November 3, 2010, State voters adopted Proposition 26, which may reclassify some local fees as taxes requiring either a two-thirds or majority vote of the people. The effects of Prop. 26 on local fees are not clear and will probably not be clarified for some time. Consequently, to avoid litigation and to ensure that existing fees can continue to be imposed, staff does not recommend modifying the City's existing fees or adopting new ones at this time. The City has a currently adopted in-lieu fee of $80,000 per required inclusionary unit.

Rental Housing: Affordable housing requirements for multifamily rental housing unit are impacted by the recent case, *Palmer/Fifth Street Properties v. City of Los Angeles*. The *Palmer* court found that requiring affordable housing in rental projects violates State rent control laws unless the City provides financial or regulatory assistance (such as a density bonus). The court also found that in-lieu fees for rental housing are "inextricably intertwined" with affordable housing requirements and cannot be imposed.

After *Palmer*, the City worked with Keyser-Marston to complete a nexus study to determine the impact of rental housing on the need for affordable housing, with the intent of imposing an impact fee on new rental housing. This type of fee was not invalidated by *Palmer*. However, the fee has not yet been adopted, and the staff does not recommend imposing any new fees until the provisions of Prop. 26 are clarified. In short, due to the effects of both the *Palmer* case and Prop. 26, the City cannot impose affordable housing requirements on new rental housing that does not receive City assistance.

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[1] **http://www.hayward-ca.gov/citygov/meetings/cca/rp/2010/rp062910-01.pdf**
http://www.hayward-ca.gov/citygov/meetings/cca/rp/2010/rp091410-13.pdf
http://www.hayward-ca.gov/citygov/meetings/cca/rp/2010/rp092810-08.pdf

[2] The proposed Relief Ordinance defines any residential project with a subdivision or condominium map (where the units can be sold separately) as ownership housing requiring inclusionary affordable housing. This means that the City will be able to impose affordable housing requirements on new condominium developments where the owners decide to rent the units for some time. The Keyser-Marston nexus study found that unsubsidized rental housing development is currently infeasible.

DISCUSSION

Given Proposition 26, the *Palmer* decision, and the uncertain housing market, staff recommends that the Council introduce the attached Relief Ordinance, which includes the following as interim relief until December 31, 2012:

- **Lowers the required inclusionary set-aside** from 15% to 10% for single family homes and to 7.5% for townhomes and condominiums. The nexus study conducted by Keyser Marston Associates in April 2010 (discussed below) supports set-asides of 18 - 22% for single family housing, 13% for condominiums, and 14% for townhomes. The suggested inclusionary requirement is roughly half the percentages supported by the nexus study.

- Requires **residential rental projects receiving City assistance** (either financial or regulatory) to provide affordable housing. Rental projects receiving no City assistance are not required to provide affordable housing or pay a fee.

- Allows residential developers to **pay in-lieu fees "by right" rather than build affordable units on-site.** For each affordable unit not built, the developer must pay the City its currently adopted fee of $80,000 per affordable unit. This is well below the fee justified by the nexus study, which supports fees as high as $190,000 to $350,000 per affordable unit.

- For units receiving a certificate of occupancy by December 31, 2012, the developer may **elect to defer payment of in-lieu fees** until the earlier of: a) close of escrow, or b) a one year period following certificate of occupancy. Payment of the deferred fees would be ensured by the recordation of a trust deed against the developed property, which would be released as the fees are paid. This provision is similar to provisions adopted by the City Council in February of this year regarding deferral of payment for park in-lieu fees and the Supplemental Building Construction Improvement Tax.

Impact on General Plan Housing Element: The City's recently updated and certified Housing Element is contained in Chapter Five of the Hayward General Plan, and can be accessed from the City's web site.[3] The Inclusionary Housing Ordinance is described on page Section 5.3, page 5-49, as one of the City's important affordable housing policies. Most significantly, on page 5-51 and again on 5-98, the Housing Element calls for a review of the Ordinance in order to evaluate its effectiveness and to respond to the current economic downturn. Specifically, the Plan calls for completing certain studies of the ordinance. Based on the results of that study, the Housing Element states that the City will make appropriate temporary and/or permanent adjustments to foster residential development and will specifically determine whether to allow payment of in-lieu fees for all residential projects ("by right").

One of the major Housing Element goals (Goal 4), is to remove constraints on housing development, and Policy 4.1 states that the City will adjust residential development standards that are determined to be a constraint on housing. Program 18 notes that the City does intend to continue to implement the Inclusionary Ordinance, and Policy 3.6 calls for the City to implement

[3] http://www.hayward-ca.gov/about/general.shtm

the Inclusionary Ordinance to require a percentage of low and moderate income housing in new housing development.

Keyser Marston's study, completed in April 2010, fulfilled a major portion of the analysis called for in the Housing Element. Keyser Marston concluded that the City's inclusionary requirements did represent an additional, but sustainable, cost to residential projects. Given the City's goal to remove constraints on the development of housing and the Keyser Marston analysis, staff believes that the interim relief ordinance is still consistent with the Housing Element. In particular, it should help to make the development of townhouses and condominiums, which provide lower cost housing, more feasible in the current economic climate, while also encouraging the development of single-family detached homes.

Finally, staff reviewed the use of incentives and alternatives to produce affordable housing at a discussion with developers at an April 2010 roundtable. Provision for payment of an in-lieu fee "by right" – or at the developers' option – as proposed in the interim ordinance will be the most effective way to provide relief to developers consistent with comments received at the roundtable.

CEQA Review: The Relief Ordinance is exempt from CEQA because it can be seen with certainty that the enactment of the Relief Ordinance will not have any significant effect on the environment. It affects only the affordability of residences constructed in the City and contains no provisions affecting the physical design or development of residences. (CEQA Guidelines Section 15061(b)(3)).

ECONOMIC IMPACT

The Relief Ordinance is designed to mitigate the effects of a recessionary housing market and stimulate new residential construction and new jobs. By adopting the relief measures proposed in the Ordinance, the City hopes to improve the viability of marginally feasible residential projects. Staff anticipates that the most immediate beneficial effects will be to projects that have discretionary approvals and are poised to move ahead. Condominium, apartment, and other similar developments are not likely to be rendered immediately feasible as a result of this or other City relief measures, but these measures may assist in stimulating such development within the two-year period, as the economy continues to improve.

FISCAL IMPACT

Fiscal impacts to the City of Hayward could be moderately positive, to the extent that residential developments are encouraged to proceed. Inclusionary housing in-lieu fees could be expected from the Burbank School residual site, for which a new single-family development of approximately 57 units is currently under consideration. In addition, the City would gain additional building permit fee revenue, transfer taxes, and property taxes from new housing development of all types.

PUBLIC CONTACT

Potential relief measures to the City's IHO were discussed at a developer roundtable on April 1, 2010. On June 29, 2010 the City Council held a work session to consider IHO relief measures. On September 14th and September 28th of 2010 the City Council also held public hearings on possible IHO relief. Staff has also alerted interested parties to this discussion item via email.

SCHEDULE (or NEXT STEPS)

If the City Council introduces the proposed Relief Ordinance, staff will return to the City Council on January 18, 2011 for adoption of the Ordinance. In addition, staff intends to return to the City Council with a study session item on housing development issues in January 2011.

Prepared by:
Jeff McLaughlin, Housing Manager

Recommended by:
Kelly Morariu, Assistant City Manager

Approved by:

_____
Fran David, City Manager

Attachments:	Attachment I	Ordinance No. 10-_
	Attachment II	CEQA Resolution No. 10-__

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11/19/2010

ATTACHMENT I

ORDINANCE NO. 10-_____

AN ORDINANCE PROVIDING INTERIM RELIEF FROM CERTAIN INCLUSIONARY HOUSING PROVISIONS

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Interim Relief Provisions. Notwithstanding the provisions of Chapter 10, Article 17, "Inclusionary Housing Ordinance," of the Hayward Municipal Code, the following provisions shall be applicable to Residential Development Projects which have received all discretionary planning approvals prior to December 31, 2012:

DEFINITIONS

The capitalized terms set forth in this Ordinance shall have the same meaning as in Chapter 10, Article 17, "Inclusionary Housing Ordinance," of the Hayward Municipal Code, except that the following terms are additionally defined for the purposes of this Ordinance:

(a) "Residential Ownership Project" is defined as a Residential Development Project that includes the creation of twenty (20) or more Dwelling Units that may be sold individually, including but not limited to condominiums, townhomes, stock cooperatives, community apartments, and attached or detached single-family homes. A Residential Ownership Project also includes a condominium conversion.

(b) "Residential Rental Project" is defined as a Residential Development Project that includes the creation of twenty (20) or more Dwelling Units that cannot be sold individually.

PROVISIONS APPLICABLE TO RESIDENTIAL OWNERSHIP PROJECTS

(a) Percentage of Affordable Units. In a Residential Ownership Project, ten percent (10%) of all Dwelling Units consisting of detached single-family homes shall be Affordable Units that are sold to Moderate Income Households at Affordable Ownership Housing Cost. In a Residential Ownership Project, seven and one-half percent (7.5%) of those Dwelling Units that consist of attached homes, including but not limited to townhomes and condominiums, are required to be Affordable Units.

(b) Payment of In-Lieu Fees. As an alternative to the provision of Affordable Units as required by subsection (a), an applicant for a Residential Ownership Project may choose to pay In-Lieu Fees as established by resolution of the City Council from time to time at its sole discretion.

(c) Selection of Alternative. An application for the first approval of a Residential Ownership Project subject to subsection (a) shall describe whether the applicant elects to comply with subsection (a) or (b), or a combination of those subsections.

PROVISIONS APPLICABLE TO RESIDENTIAL RENTAL PROJECTS

(a) No Requirement for Affordable Units. No Affordable Units are required to be included in a Residential Rental Project which does not receive City assistance as described in subsection (b).

(b) Provision of City Assistance. For Residential Rental Projects for which the applicant requests and receives a direct City financial contribution or any form of assistance specified in Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code, Affordable Units may be required by the City pursuant to the terms of that assistance. As a condition of City assistance, the City shall require that the applicant agree by contract with the City to the limitation on rents in consideration for the city's assistance, to ensure compliance with the Costa-Hawkins Act (Chapter 2.7 of Title 5 of Part 4 of Division 3 of the Civil Code).

TIME OF PAYMENT OF IN-LIEU FEES

(a) Any required In-Lieu Fees shall be due and payable at the time a certificate of occupancy is issued for a Dwelling Unit or at the time of final inspection should no occupancy permit be required for the Dwelling Unit.

(b) Notwithstanding subsection (a), for any Dwelling Unit receiving a certificate of occupancy or final inspection by December 31, 2012, the applicant may elect to defer the payment of the In-Lieu Fees until the earliest of the following to occur:

1. Close of any escrow for the sale of the Dwelling Unit subject to the In-Lieu Fee, or

2. One year after issuance of the certificate of occupancy for the Dwelling Unit (or one year after final inspection should no occupancy permit be required);

Provided that the property owner enters into a contract with the City to pay the In-Lieu Fee at the time specified plus all associated administrative and other costs, which contract shall be secured by a recorded lien against the Dwelling Unit.

INCLUSIONARY HOUSING ORDINANCE

All provisions of Chapter 10, Article 17, "Inclusionary Housing Ordinance," Hayward Municipal Code, which do not conflict with this Ordinance shall remain in full force and effect.

Section 2. Severance. Should any part of this ordinance be declared by a final decision of a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided that the remainder of the ordinance, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the City Council.

Section 3. Effective Date. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the _____ day of _____, 2010, by Council Member _____.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held the _____ day of _____, 2010, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward

ATTACHMENT II

HAYWARD CITY COUNCIL

RESOLUTION NO. 10-__

RESOLUTION FINDING THAT THE ENACTMENT OF AN ORDINANCE PROVIDING INTERIM RELIEF FROM CERTAIN INCLUSIONARY HOUSING PROVISIONS IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

WHEREAS, the City Council of the City of Hayward has reviewed the provisions of Hayward Municipal Code Chapter 10, Article 17, the Inclusionary Housing Ordinance, in order to consider economic relief measures and to stimulate appropriate housing development in the City of Hayward; and

WHEREAS, the City Council has reviewed the information contained in the proposed "Ordinance Providing Interim Relief from Certain Inclusionary Housing Provisions" (the "Relief Ordinance") and the accompanying staff report and attachments thereto at a duly noticed meeting on December 14, 2010.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF HAYWARD hereby finds that the proposed Ordinance Providing Interim Relief from Certain Inclusionary Housing Provisions is exempt from CEQA because it can be seen with certainty that there is no possibility that the adoption of the proposed Relief Ordinance may have a significant effect on the environment, in that the Relief Ordinance affects only the affordability of residences constructed in the City of Hayward and contains no provisions modifying the physical design, development, or construction of residences (CEQA Guidelines Section 15061(b)(3)).

IN COUNCIL, HAYWARD, CALIFORNIA December 14, 2010.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____

City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____

City Attorney of the City of Hayward

CITY OF
HAYWARD
HEART OF THE BAY

___17____

DATE: December 14, 2010

TO: Mayor and City Council

FROM: Assistant City Manager

SUBJECT: Support for the Development, Relief, and Education for Alien Minors (DREAM) Act

RECOMMENDATION

That Council adopts the attached resolution supporting the DREAM Act and strongly encouraging members of Congress to pass this legislation and President Obama to sign it into law.

BACKGROUND AND DISCUSSION

At the December 7, 2010 meeting, Council directed staff to return with a resolution supporting Federal legislation known as the DREAM Act. This report outlines some additional background on the DREAM Act for the Council's information and provides a resolution supporting the DREAM Act for Council consideration.

The DREAM Act, also known as the Development, Relief, and Education for Alien Minors Act (S. 729; S. 3992), was introduced on March 26, 2009, by Senators Dick Durbin (D – IL) and Richard Lugar (R – IN). In the House of Representatives, the bill is called the American Dream Act (H.R. 1751), and it was introduced the same day by Representatives Howard Berman (D – CA), Lincoln Diaz-Balart (R – FL), and Lucille Roybal-Allard (D – CA). The DREAM Act is bipartisan legislation based on America's shared values of opportunity, education, and achievement. The DREAM Act gives undocumented students a way to obtain legal residency.

Often these youth were brought to the U.S. by their parents at a very young age. They've lived much of their lives in the U.S. and have flourished academically and socially. The DREAM Act would permit certain immigrant students—who have grown up in the U.S—to apply for conditional nonimmigrant status and eventually become eligible for U.S. citizenship if they go to college or serve in the U.S. military.

More specifically, the Act would:

1) Grant States the option to provide in-state tuition benefits to students regardless of immigration status; and

2) Grant regular, lawful, permanent resident status at the end of a six-year conditional period, if, during that period, the immigrant maintained a good moral character and complied with at least one of the following: a) graduated from a two-year college or vocational college or completed two years of studies towards a bachelor's or higher degree; or b) served in the U.S. Armed Forces for at least two years.

Supporters estimate that approximately 800,000 students could ultimately benefit under the DREAM Act. If these students fulfill all of the requirements outlined in the Act, they may eventually apply to become U.S. citizens. Students must have entered the U.S. at age fifteen or younger and must have been living in the U.S. for at least five years before the act's passage in order to qualify. The upper age limit for students who qualify to apply under the bill is thirty years old.

If passed as currently written, the Act would prohibit the deportation of any immigrant who has a pending DREAM Act application. However, only "eligible" immigrants may apply, which includes proving that the student meets the eligibility criteria, including good moral character. Criminals and others who cannot prove they have good moral character are ineligible for relief under the DREAM Act. At this point, the Act does not provide a formal definition of "good moral character."

Current polls indicate that approximately seventy percent of all likely voters support the DREAM Act with sixty percent support from Republicans and eighty percent support from Democrats. All members of the City of Hayward's Congressional delegation (Congressman Pete Stark and Senators Barbara Boxer and Dianne Feinstein) have officially expressed their support for this legislation.

On Wednesday, December 8, the House of Representatives passed the DREAM Act with a vote of 216 to 198. The Senate was originally scheduled to vote on the act on Thursday, December 9, but the Senate Majority Leader has delayed this vote until after lawmakers agree on a tax package. There is currently no timeline for this to occur.

FISCAL AND ECONOMIC IMPACT

There are no anticipated negative or positive impacts of this Federal legislation directly on the City of Hayward. Access to higher education through the granting of in-state tuition and eligibility for Federal student loans will allow immigrants to make even greater contributions to society in general, and the City in particular; and will increase the educated workforce and decrease the numbers of those forced to live in poverty.

The Congressional Budget Office has said the measure would cut the federal deficit by $1.4 billion and increase government revenues by $2.3 billion over the next decade.

Prepared by: Kelly McAdoo Morariu, Assistant City Manager

Approved by:

Fran David, City Manager

Attachments:

Attachment I: Resolution in Support of the Development, Relief, and Education for Alien Minors (DREAM) Act Currently Being Considered in the U.S. Congress

HAYWARD CITY COUNCIL
RESOLUTION NO _____

Introduced by CouncilMember _____

A RESOLUTION IN SUPPORT OF THE DEVELOPMENT, RELIEF, AND EDUCATION FOR ALIEN MINORS (DREAM) ACT CURRENTLY BEING CONSIDERED IN THE U.S. CONGRESS

WHEREAS, the City of Hayward is home to many immigrants, documented and undocumented, from all over the world, and

WHEREAS, students in the United States are denied access to and prevented from pursuing their dreams of going to college each year because they have no legal residency status and current Federal law denies the petition of undocumented immigrant students who have grown up in the United States who apply for legal residency, and

WHEREAS, despite the fact that many of these students have grown up in the U.S., attended local schools, and have demonstrated a sustained commitment to succeed in the educational system, immigration laws provide no avenue for these students to become legal residents, and

WHEREAS, many of these children were brought to the U.S. by their parents at an age at which they were too young to understand the legality of their arrival or lack of departure in the case of those who over-stay a visa, and

WHEREAS, the U.S. Senate introduced the Development, Relief, and Education for Alien Minors (DREAM) Act on March 26, 2009 and the U.S. House of Representatives introduced the American Dream Act on the same date, and

WHEREAS, the DREAM Act would:

1. Grant regular lawful permanent resident status at the end of a six year conditional period, if, during the conditional period, the immigrant maintained a good moral character, and complied with at least one of the following: a) graduated from a 2-year college or vocational school or completed two years of studies toward a bachelor's or higher degree; or b) served in the U.S. Armed Forces for at least 2 years; and

2. Grant to the States the option to provide in-state tuition benefits to students regardless of immigration status.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Hayward expresses its support for the DREAM Act and encourages the U.S. Congress to pass this important legislation and President Obama to sign it into law.

BE IT FURTHER RESOLVED that the City Council directs the City Manager to forward this Resolution to appropriate Federal elected officials.

IN COUNCIL, HAYWARD, CALIFORNIA, _____, 2010

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

_____
City Attorney of the City of Hayward