



CITY OF  
**HAYWARD**  
HEART OF THE BAY

## **PLANNING COMMISSION**

**MAY 14, 2015**

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CITY OF HAYWARD  
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**AGENDA**  
**HAYWARD PLANNING COMMISSION**  
**THURSDAY, MAY 14, 2015 , AT 7:00 PM**  
**COUNCIL CHAMBERS**

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**MEMBERS OF THE AUDIENCE WISHING TO ADDRESS THE PLANNING COMMISSION:**

Obtain a speaker's identification card, fill in the requested information, and give the card to the Commission Secretary. The Secretary will give the card to the Commission Chair who will call on you when the item in which you are interested is being considered. When your name is called, walk to the rostrum, state your name and address for the record and proceed with your comments. The Chair 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 for organization. Speakers are expected to honor the allotted time.

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**ROLL CALL**

**SALUTE TO FLAG**

**PUBLIC COMMENT:** (The PUBLIC COMMENTS section provides an opportunity to address the Planning Commission on items not listed on the agenda. The Commission 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 Commission 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 for further action).

**ACTION ITEMS:** (The Commission will permit comment as each item is called for Public Hearing. Please submit a speaker card to the Secretary if you wish to speak on a public hearing item).

**PUBLIC HEARING:** For agenda item No. 1, the Planning Commission may make a recommendation to the City Council.

1. Recommended FY 2016-FY 2025 Capital Improvement Program

**[Staff Report](#)**

**[Attachment I - April 24, 2015 Letter from the City Manager](#)**

**COMMISSION REPORTS:**

2. Oral Report on Planning and Zoning Matters
3. Commissioners' Announcements, Referrals



Assistance will be provided to persons requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Persons needing accommodation should contact Sonja Dal Bianco 48 hours in advance of the meeting at (510) 583-4204, or by using the TDD line for those with speech and hearing disabilities at (510) 247-3340.

## APPROVAL OF MINUTES

4. [April 9, 2015](#)  
[April 23, 2015](#)

## ADJOURNMENT

**PLEASE TAKE NOTICE** that if you file a lawsuit challenging any final decision on any public hearing item listed in this agenda, the issues in the lawsuit may be limited to the issues which 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.

**NOTE:** Materials related to an item on this agenda submitted to the Planning Commission after distribution of the agenda packet are available for public inspection in the Permit Center, first floor at the above address. Copies of staff reports for agenda items are available from the Commission Secretary and on the City's website the Friday before the meeting.

**DATE:** May 14, 2015  
**TO:** Planning Commission  
**FROM:** Sara Buizer, Planning Manager  
**SUBJECT:** Recommended FY 2016-FY 2025 Capital Improvement Program

## **RECOMMENDATION**

That the Planning Commission find that the Recommended FY 2016-FY 2025 Capital Improvement Program is consistent with the City's General Plan.

## **BACKGROUND**

[California Government Code Section 65401](#) requires Planning Commission review of the [Recommended FY 2016-FY 2025 Capital Improvement Program \(CIP\)](#) as to its conformance with the City's General Plan. An overview of the proposal being presented is provided in the April 24 letter to the City Council from the City Manager, which is found in the front of the Recommended FY 2016-FY 2025 Capital Improvement Program, and is attached to this report as a matter of reference.

As with the City's operating budget, the FY 2016-FY 2025 CIP is in a one-year budget cycle. In more recent versions of the CIP, there was a strong shift towards maintenance, security, and upkeep at many of the City's government buildings, especially City Hall; many of these projects were either completed or will be completed early in FY 2016. Due to the passage of Measure C, the key emphasis in this edition of the CIP is updating and improving the City's infrastructure, such as the construction of the 21<sup>st</sup> Century Library and Community Learning Center, improvements to fire stations and added paving projects.

## **DISCUSSION**

Attachment I summarizes the major components of the recommended FY 2016-FY 2025 CIP, which are in line with the following Guiding Principles from the General Plan:

### Guiding Principle #2:

*Hayward should have safe and clean neighborhoods with an expanded network of parks and thriving commercial centers that incorporate attractive design, provide easy access to jobs, support a diverse population, encourage long-term residency, and inspire all residents to live active, healthy, and green lifestyles.*

See the *Livable Neighborhoods* program projects (summary of expenditures on page 35 of the CIP), which include such projects as sidewalk enhancements and street trees.

Guiding Principle #3:

*Hayward should develop and enhance its utility, communications, and technology infrastructure; and provide exceptional police, fire, and emergency services.*

Pages 2 and 3 of the attached references the 21<sup>st</sup> Century Library and Community Learning Center and completion of new Fire Station #7 and upgrades to Fire Stations #1 through #6. Pages 5 through 8 in the attached discuss upgrades to the public water and sewer systems, while page 8 discussed enhancements to facilities and property at the Hayward Airport.

Guiding Principle #5:

*Hayward should have a safe, walkable, vibrant, and prosperous Downtown that serves as an attractive area for business and a destination for shopping and dining, arts and entertainment, and college-town culture.*

Pages 4 and 5 of Attachment I reference continued support for the Downtown Mural Art program, as well as improvements to the City's municipal parking lots.

Guiding Principle #7:

*Hayward residents, workers, and students should have access to an interconnected network of safe, affordable, dependable, and convenient transportation options.*

Several projects identified in the CIP relate to street and sidewalk improvements, as well as various studies related to transportation/mobility options for the public, as identified on pages 4 and 5 of Attachment I (e.g., Downtown Parking Study, Transit Feasibility Study, pedestrian safety improvements).

Staff will be available at the meeting to provide further information and clarification.

Environmental Review – California Environmental Quality Act (CEQA) Guidelines Section 15378 specifically excludes from CEQA review and analysis organizational or administrative activities by a governmental agency that will not result in direct or indirect physical changes in the environment. Therefore, review by the Commission of the CIP is not a project for purposes of CEQA. Also, because this hearing entails just the Commission's review of the CIP, and not any specific approval by the Commission of any individual projects, the statutory exemption for feasibility and planning studies would also apply (CEQA Guidelines Section 15262).

## **PUBLIC CONTACT**

A public hearing notice was published in *The Daily Review* newspaper the requisite minimum ten days prior to this hearing. No responses to such notice were received at time of finalization of this report.

## **NEXT STEPS**

The City Council will review this document during a work session in June and adopt it as part of the budget adoption process later that month.

Prepared by: Morad Fakhrai, Director of Public Works – Engineering & Transportation

Recommended by:



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Sara Buizer  
Planning Manager

Approved by:



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David Rizk, AICP  
Development Services Director

Attachments:

Attachment I: April 24, 2015 letter from the City Manager



April 24, 2015

Honorable Mayor and City Council:

This letter serves to transmit the FY2016 – FY2025 Capital Improvement Program (CIP) for your consideration. FY2016 and FY2017 generally reflect actual scheduled projects; while FY2018 through FY2025 reflect planned or proposed projects that may be adjusted or changed as we approach closer to those years. The FY2016 CIP is operating as a one-year budget consistent with the City's operating budget for that same year. The City Council is scheduled to review this document during a work session in June. Before that, the Planning Commission will have reviewed the document for conformance with the City's General Plan.

The capital budget for FY2016 totals about \$187 million, with approximately \$507 million tentatively programmed for the period FY2016 through FY2025; and an additional \$304 million of unfunded needs identified for the same period. Due to the passage of Measure C and Measure BB, this is a significant improvement from the FY2015 capital budget total of \$378 million and unfunded total of \$510 million. Many projects were moved from the unfunded list including improvements to fire stations 1-6, fire training center, construction of a new 21<sup>st</sup> Century Library and Community Learning Center, several freeway interchanges and \$1 million per year for paving improvements.

Most of the CIP remains "as is" from the prior year. However, one fund, the Measure C Capital Fund, has been added to the program as Fund 406. This fund includes all capital projects that will utilize Measure C sales tax funding, such as the new Library, improvements to Fire Stations 1-6, and new paving projects.

The draft before you contains description sheets for each current project, as well as identified future projects. In addition, an overview of program changes from the last approved CIP is offered in the "Project Changes and Modifications" section beginning on page four.

### **Unrestricted Funds**

As has been the case for the past several years, there continues to be minimal unrestricted funding available for CIP-related projects. Most of the unrestricted funding available in the FY2016 continues to be allocated towards Council's priorities, especially as they pertain to improving the attractiveness and safety of neighborhoods.

The City's General Fund ten-year financial forecast continues to project a growing deficit in the out years. However, staff has promised that the recommended FY2016 Operating Budget will not depend on use of reserves to close the gap. Depending on the extent of the deficit for FY2016, as staff and Council work through the budget process, it is possible that some or all of the funding transferred from the General Fund to support capital projects will have to be reduced or eliminated.

Consistent with the priorities established by Council, many of the issues raised at Neighborhood Partnership meetings have been addressed, such as new speed control measures (i.e. speed lumps) and improved lighting. Additionally, Measure C funds have made it possible that more neighborhood related issues, such as safety, graffiti abatement, and illegal dumping are addressed. Such efforts will continue and grow into FY2016; however, the amount and flexibility of funds available to address all neighborhood concerns continues to be less than needed.

During the past several years, there was a key emphasis on implementing projects that enhance the City's appearance. The one project that best demonstrates this effort is the painting of murals in the downtown and along Foothill Boulevard to prevent graffiti; this effort will continue as funds allow.

### **New Projects**

In more recent versions of the CIP, there was a strong shift towards maintenance, security, and upkeep at many of the City's government buildings, especially City Hall; many of these projects were either completed or will be completed early in FY2016. The key emphasis in this edition of the CIP is to continue updating and improving the City's infrastructure.

The most immediate improvement will occur in FY2016 with the completion of construction of a new Fire Station No. 7 and an ancillary Firehouse Clinic. In addition, final design work is nearing completion on a new Main Library. This project, along with safety-related improvements to many of the fire stations and additional pavement improvements, is supported through Measure C. As noted above, all Measure C capital projects are located in Fund 406 of the CIP.

There are new, small projects for City Hall in the CIP that relate to improving the sound system in the rotunda, as well as improvements to the City Council chambers scheduled for implementation during August 2015 when the Council is in recess. Other key maintenance projects are funded out of the Facilities Internal Service Fund and discussed later in this letter.

While infrastructure-related projects were emphasized in FY2015, disaster preparedness was also a critical priority. A number of trainings for staff as well as a tabletop exercises were held in FY2015. These exercises allowed City staff members to practice and enhance their abilities to quickly and efficiently provide critical services to the public in the event of a major disaster.

As noted earlier, the CIP continues to highlight the Council priority of improving the City's appearance wherever possible. One series of projects serves to support that priority through the beautification and improvement of landscaping along key thoroughfares throughout the City, while still observing the fact that California is in the midst of a drought. Over the past several years, the City has successfully improved the Fairway Park roundabouts; improved landscaping along Industrial Parkway from Interstate 880 to Mission Boulevard; and upgraded landscaping along Winton from Southland Drive to Southland Place, each with water efficient landscaping that meets Bay Friendly standards. Over the life of the proposed CIP, four additional separate projects are noted and include landscaping improvements along Industrial Parkway (from Hesperian Boulevard to Highway 880) in FY2016; Hesperian Boulevard (from Winton Avenue to Chabot Court) in FY 2017; Hesperian Boulevard (from West A Street to Winton Avenue) in FY2018; and Industrial Boulevard (from Highway 92 to Arf Avenue) in FY2019. As noted earlier, any new proposed landscaping or landscape renovation shall be done in accordance with the Bay-Friendly landscaping standards and in accordance with the state requirements related to emergency water shortage regulations.

### **21<sup>st</sup> Century Library and Community Learning Center**

A continuing key project in the Capital Improvement Fund is the design and construction of a new 21<sup>st</sup> Century Library and Community Learning Center, with progress being made along several fronts. As you recall, the US Postal Service (USPS) owns the adjacent parcel of which a portion is needed for the New Library building. Staff has been working closely with the USPS to acquire the needed land for the project. In addition, the final design process is almost complete, with construction expected to commence during the very early part of FY2016.

### **Fire Station Improvements**

In addition to the new Fire Station No. 7 and Firehouse Clinic project, several other improvements are planned for various fire stations over the next three to five years. The most significant portion of the improvements pertains to rehabilitation and modernization of Fire Station Nos. 1-6, including infrastructure updates, improved livability, and reducing the environmental footprint of each. The estimated total cost for the needed improvements is approximately \$11 million. Another major project involves the building of a new training center at Fire Station No. 6. This much needed improvement is expected to cost an additional approximately \$7.2 million. Design work on this series of projects commenced during the latter part of FY2015.

### **Streets and Roads**

With the assistance of Federal, State, and local funding, the City was able to complete work on several larger-scale projects associated with pavement rehabilitation during FY2015. The City completed a total of three major pavement rehabilitation or reconstruction-related projects at a total of almost \$4.3 million. One of the larger projects, which totaled about \$3.3 million, included pavement reconstruction along portions of Hawthorne, Capri, Arf, Cryer, Virginia, Edwin, Valle Vista, Westwood, Inglewood, Isabella, Adobe, Highland, Elkgrove, Spring, Ocie, Ida, Quincy, Dunn, and Jerilynn. In total, over twenty-seven lane miles of pavement were repaired with the five projects during FY2015, which exceeds the established performance measure of eighteen lane miles.

For FY2016, over \$7 million will be spent on seven pavement rehabilitation or reconstruction-related projects funded by various sources: Gas Tax (Pavement Rehabilitation-(Slurry Seal); Measure B and Measure BB (Pavement Rehabilitation/ Reconstruction, Whipple Road Pavement Repair); Vehicle Registration Fee (Pavement Rehabilitation/Reconstruction); OneBayAreaGrant (Pavement Rehabilitation -Industrial Boulevard); Street System Improvements Fund (Pavement Reconstruction - Industrial Parkway); and Measure C-funded pavement rehabilitation. It is worth noting that this major increase in pavement-related funding is directly attributable to the passage of both the City's Measure C and the County's Measure BB sales tax measures; Measure C will provide additional funding of \$1 million per year, while Measure BB will allow for over \$2 million more per year of pavement-related funding. For this total funding, it is anticipated that 21.9 lane miles will be slurry sealed and 16.1 lane miles rehabilitated or reconstructed.

The most critical new roadway project continues to be the 880/92 Reliever Route project, which includes construction of the Whitesell Street extension and improvements along the Winton Avenue corridor. Project design work has been completed, and construction started in April 2015. As noted in prior staff reports on this item, most of the cost associated with the design and construction of the Reliever Route project will be reimbursed from Measure B funds through the Alameda County Transportation Commission (Alameda CTC). Additional funds for the project, if necessary, will be drawn from other non-general fund sources in the CIP.

Besides repairing streets and roads, the City has been aggressively upgrading its series of municipal parking lots. During the past couple of years, both Municipal Lots 5 (located at the corner of Maple Court and A Street) and 6 (located between Russell Way and A Street) were successfully repaired. Such efforts will continue into the future, with an additional four lots to be repaired within the next four years: Municipal Lots 3 (Located on Main Street between B Street and C Street) and 4 (located on B Street between 2<sup>nd</sup> Street and Foothill Blvd.) in FY2016; Municipal Lot 1 (located on Mission Blvd between A Street and B Street) in FY2017; and Municipal Lot 7 (located on Mission Blvd. between B Street and C Street) in FY2019. This schedule exceeds the Council-established goal of one parking lot every other year.

### **Livable Neighborhoods**

City staff continued to focus efforts on supporting livable neighborhoods through the evaluation, design, and construction/improvement of sidewalks and wheelchair ramps throughout the City. During FY2015, staff targeted Districts 7 and 10, which include the area bordered by Grand Street and Jackson Street to the east, West A Street to the north and I-880 to the west, as well as the area bordered by I-880 to the east, La Playa to the north, and Tennyson Road to the south for improvement at a cost of approximately \$900,000. In addition, the design of new sidewalks along Laurel Avenue commenced during FY2015; the project is expected to cost \$300,000, with the County reimbursing the City for approximately \$200,000 of the cost for work that is within the County's jurisdiction.

Similar funding is set aside for the FY2016 projects, which will include commencing work in District 1 (bordered by the north City limit and Jackson Street/E Street to the south) and District 8 (bordered by West Winton Avenue to the north and SR-92 to the south), as well as new sidewalk construction along Hayward Boulevard.

As noted earlier, the mural program will continue to be funded for the foreseeable future. An additional \$75,000 has been budgeted each year for FY2016 and FY2017 to continue this highly visible and successful anti-graffiti effort.

In addition to the above, staff will be embarking on a number of transportation studies listed below:

- **Comprehensive Transportation Plans** – The first of these critical studies will evaluate and prioritize needed safety and pedestrian improvements at major intersections throughout the City. Costs for this study and other transportation-related projects will be addressed via the development of a Citywide Traffic Impact Fee (TIF), which is viewed as a major Council priority. Lastly, staff will embark on a study to develop a comprehensive set of programs and policies to address neighborhood traffic calming concerns. Work on these plans commenced during latter part of FY2015 and will conclude within one year.
- **Transit Feasibility Study** – Staff was successful in applying for and obtaining two grants that will provide funding to determine the feasibility of and demand for providing shuttle service from underserved transit sectors in the east/west Industrial areas and the Cannery area developments to the Downtown/BART station. Work on the study has commenced during latter part of FY2015 and will be completed within a year.

*FY2016-FY2025 Capital Improvement Program*

- **Downtown Parking Study** – This study will evaluate comprehensive short and long-term parking strategies for the Downtown. Parking management, value pricing, and enforcement strategies will be among the policies submitted to Council for review and approval. Work started in FY2015 and will be completed by Fall/Winter of 2016.
- **Traffic Signal at Huntwood Road/Gading Road and Pedestrian Signal at Mission/Blanche** – Staff applied for and was successful in receiving a grant from Caltrans to install signals at the aforementioned intersections. These are both high priority locations that were previously identified as warranting signalization. Both projects are on schedule for completion by early FY2016.

**Utilities & Environmental Services**

Capital projects for Utilities include improvement and replacement projects to ensure that the water and sewer infrastructure needed to deliver critical utilities services is reliable, efficient, and appropriately sized to meet the current and future needs of the community. Environmental Services capital projects focus on water conservation and energy use efficiency. Specific projects address resource conservation and recycling, clean and green energy, and stormwater runoff quality and protection.

All projects are managed by Utilities and Environmental Services Engineers and Management staff. For most of FY2015, the Department had vacancies in an Associate Engineer and Administrative Analyst III positions, which had a direct impact on some CIP projects, as well as several vacancies in management positions at Utilities Operations and Maintenance, and the Water Pollution Control Divisions, requiring the delay of some projects. However, given this factor, many staff members took on additional projects to partially compensate and ensure that critical projects were moved forward. Vacancies in Operation and Maintenance Management positions are being filled. Recruitments for Associate Engineer and Administrative Analyst III are currently underway.

**FY16-FY25 Water System CIP**

**Conservation:** The past three years have seen exceptionally dry conditions throughout the State, prompting the Governor to call in January 2014 for a 20% reduction in state-wide water use. Considering its own water supply condition, the City's wholesale water supplier, the San Francisco Public Utilities Commission (SFPUC), has asked its customers to reduce consumption by 10% to preserve available supplies in the event that the drought continues next year. The City fully met the request ahead of schedule. The State Water Resources Control Board (also known as the State Water Board) determined that insufficient progress has been made throughout the State towards reducing water consumption during the drought and has thus imposed Emergency Water Conservation Regulations to ensure conservation. On April 1, 2015, the Governor issued an Executive Order requiring a 25% reduction in average statewide urban water use. At its public hearing on May 5, the Water Board approved an implementation plan for the statewide water reduction requirements. Given the City's stellar performance in water conservation and efficiency, Hayward was among approximately sixteen agencies throughout the state with an eight percent cutback requirement, which is the lowest amount imposed.

Water conservation is a key concern to the City and various CIP projects in the water system are aimed at addressing this concern. One such project is a meter replacement project that will allow the use of Advanced Metering Infrastructure (AMI). AMI enables customers to obtain accurate real-time water use information, see and compare their own water consumption to those in similar

homes in their neighborhood, and better manage their water consumption. They can also learn of unexpected high usage due to, for example, a leak or an irrigation system malfunction and respond to it quickly. Because of their accuracy and immediacy, AMI meters can achieve significant water savings. Utilizing a “request for proposals” process, City staff selected three meter and AMI vendors and is currently conducting a pilot on a small set of meters to evaluate the various meter types, fixed networks, and software. Implementation of a City-wide project is scheduled for 2016.

The project included an initial budget of \$2 million per year for the next three years with the understanding that after completion of a planned pilot project, the cost would be revised to reflect the more reasonable estimated needs for full City-wide meter replacement and AMI conversion. This was relayed to the Council, given the Council’s interest in completing the project, which, among other things, will improve water conservation efforts sooner than initially planned. Now that the City has obtained more detailed cost information for this project and the water conservation goals of the state and the region have been formally identified, staff has requested an additional \$10 million in funding to complete the project in less than three years.

Funding is continued, and in some cases, has been increased for City rebate programs for residents and businesses to replace existing fixtures, such as toilets and washing machines, with high efficiency models that exceed the fixture efficiency currently required by the State Plumbing Code. A new rain barrel rebate program has also been added to the menu of options that can allow customers to have more control over their water consumption.

**Long-Term Assessment:** Major water system projects have the focus of addressing the long term adequacy and physical condition of the existing water system. The Water Systems Master Plan Update, completed in FY2014, conducted an operation analyses and evaluation of existing facilities, system pressure, water quality, fire flow, and emergency preparedness. The Master Plan has assisted in the identification of water related capital improvement projects for the next ten years, including new regulating stations at the 1,000-foot elevation zone and new 265-foot elevation zone regulating station. Pressure regulating stations are needed for adequate fire flow and supply reliability.

When the key positions mentioned above have been filled in the next few months, an Asset Management Plan will be further developed to evaluate water system facilities and pipelines, and provide a schedule and cost for replacement or rehabilitation. This program enables efficient monitoring and replacement planning of water distribution structures, equipment, meters, and facilities, as well as proactive maintenance and cleaning schedules to keep facilities operating at optimum efficiency.

**Reliability Improvement:** Another area of focus for water system projects includes improving the system’s reliability. Work initiated in FY2012 on seismic improvements to the Mission 24-inch aqueduct where it crosses the Hayward Fault near Nursery Road in Fremont is scheduled to be completed in early FY2016. The aqueduct is an essential water facility, and this project will significantly improve the reliability and probability that it could be returned quickly to service after a seismic event. The City was expecting approximately \$3 million in FEMA Hazard Mitigation Grant to fund this project, however was recently informed that FEMA has reallocated its resources and funding is no longer available. Similarly, options for retrofit or replacement of the Maitland and 250 foot East and West Highland reservoirs will be further evaluated in the next two years to assess the potential damage that could be caused by a future seismic event. Using

that information, subsequent retrofit plans would then be developed for each facility.

A project to inspect and recoat the Highland 750 Reservoir (off Parkside Drive) will be undertaken in FY2015 and FY2016 to repair corrosion and improve water supply reliability. The coating at the Garin, South Walpert, Treeview and 1000 foot Reservoirs will also be inspected in FY2015 and FY2016. If it is found that recoating is necessary, the reservoirs will be taken out of service and coated appropriately.

The construction of a new 0.75 million-gallon water tank, pump system, and backup generator at the Garin Reservoir site will be designed in FY2015 and constructed in FY2016. Adding a second water tank will accommodate water demands and fire flow for future developments. The new pump system will also double the capacity of the existing pump station. As this reservoir will supply water to serve future developments at LaVista and potentially Ersted property, a developer cost reimbursement arrangement for the project will be implemented.

**Energy Efficiency and Renewable Energy:** Energy efficiency and renewable energy is also a priority addressed in the Utilities CIP, including a project to install solar power at various water facilities, such as pump stations, where significant amounts of purchased energy are used. The project is scheduled to begin in FY2016.

**Future Years:** Projects to replace the existing one-million-gallon High School Reservoir, located above City Center Drive, with a three million-gallon facility, and to construct a new two million-gallon reservoir on Hesperian Boulevard are included in future years to improve storage capacity. Various water main replacement and improvement projects are included to ensure that system capacity requirements are achieved and that facilities are maintained for optimal operating efficiency. Over the next five years, a project will be implemented to replace existing cast iron pipes, which are either reaching their practical useful life or that their strategic location would make replacing them after a main break very disruptive.

### **FY16-FY25 Sewer System CIP**

**Sewer Collection System:** The Sewer Collection System will undergo several pipeline improvements in the next few years. These improvements are planned to either replace pipelines that are showing signs of age and require frequent maintenance and repair, or to upsize undersized mains to increase their hydraulic capacity to handle current and near-term future flows. A Master Plan update for the Sewer Collection System was completed in FY2015. Approximately \$4 million in projects identified by that plan have been funded in future years to implement recommendations of the Plan. These projects include areas of the City such as Cypress Avenue, Soto Road, Tyrell Avenue, Tennyson Road, and Harder Road. These are in addition to systematic sewer main replacement projects to address age, condition, or hydraulic capacity.

**Water Pollution Control Facility:** Between FY2005 and FY2008, Phase I of Water Pollution Control Facility (WPCF) improvements were implemented at a cost of approximately \$57 million. Noteworthy, near-term WPCF projects include Phase II Improvements that will convert an existing gravity thickener to a new primary clarifier, with construction scheduled to be completed in FY2016. Work will also continue on the replacement of an existing trickling filter that is past its useful life, inefficient, and does not meet current seismic standards. The WPCF main pump station (Headworks) hydraulic pumps will be evaluated and improved to address pumping capacity. The existing WPCF administrating building will also undergo a renovation to accommodate facility

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needs of the wastewater staff, while a new operations building will be constructed in FY2017. A new one megawatt solar project (which would be in addition to the existing one megawatt solar project) at the WPCF is scheduled for design and construction in FY2016.

In order to make more efficient use of potable water, the City is pursuing the opportunity to produce recycled water and to develop a distribution system to deliver the excess tertiary-treated recycled water to nearby sites for use in landscape irrigation and some industrial processes. This project would cost \$12 million and would take advantage of low interest State loan funding specifically for recycled water projects. This project is predicated on the City's ability to enter into an agreement with Calpine to utilize excess treated water from Russell City Energy Center's (RCEC's) recycled water facility (RWF). If not successful, there is a need for the city to develop its own RWF.

Looking forward, U&ES staff is anticipating a need for a project that will address nutrient removal in wastewater. While there is no specific project identified at this time, as the methods to remove nutrients need to be studied to determine the best fit for the WPCF and the City's needs, staff is purposefully maintaining a healthy fund balance in expectation of the need for allocating budget in the future to this and other water re-use projects.

### **Airport**

A primary focus at the Airport during FY2016 will continue to be on paving improvements to various roads that allow for travel throughout various parts of the facility, especially along the south side of the Airport due to new development. Future pavement rehabilitation needs continue to be addressed in the CIP for the Airport with an additional allocation of \$300,000 being included for such work in FY2016. Similar to the City's street pavement rehabilitation, a program has been in place since FY2013 to bi-annually monitor and update pavement conditions on the Airport. One other project of note is the pavement repair of runways 28L/10R. This project will allow for the improvement of pavement and runway markings on runways that do not currently meet FAA guidelines, and is scheduled for completion during FY2016. The majority of cost for this project will be funded through State grants.

One other critical project that is scheduled to commence design next fiscal year will enclose portions of Sulphur Creek in order to address a safety issue resulting from the existing open channel that crosses the runway safety areas. Federal funding will reimburse the Airport Capital Fund \$2.25 million out of the estimated total cost of \$2.4 million.

The total amount of investment planned at the Airport from FY2015 through FY2024 is approximately \$24.6 million, with much of the funding for these projects dependent on projected Federal Aviation Administration (FAA) grants under the Airport Improvement Program, as well as transfers from the Airport's operating fund.

### **Facilities**

The Internal Service Fund for Facilities is utilized to address the improvements and upkeep necessary for many of the City's older buildings, such as the Police Department and various fire stations. Some of the more prominent projects in this fund include HVAC upgrades, roof repair and replacement, and the replacement of flooring and carpet at various City facilities.

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Maintenance projects for FY2016 (approximately \$700,000) include the exterior painting of City facilities, roof repair/replacement, furniture replacement in the common areas of City Hall, and floor coating at the Animal Control facility. The projects contained within this fund are dependent on facility charges originating from supported departments.

Facility Management is primarily responsible for ensuring that the City of Hayward has working environments which are clean, safe, attractive, and comfortable. A vigorous maintenance program protects the physical assets of the city-maintained buildings and facilities. Facility Management is developing a comprehensive building maintenance plan to identify needs and future costs. This Plan is designed to improve safety and comfort of building occupants, maximize efficiency of each building, minimize the need for major repairs and replacements, and provide for a more deliberate approach to funding the maintenance and operations capital replacement section of the budget. The following basic goals have been established as a part of this Plan:

- To preserve taxpayers' investments in public buildings;
- To help buildings function as they were intended and operate at peak efficiency, including minimizing energy consumption;
- To prevent failures of building systems that would interrupt occupants' activities and the delivery of public services;
- To sustain a safe and healthy environment by keeping buildings and their components in good repair and structurally sound; and
- To provide cost-effective maintenance and replacement.

### **Information Technology**

The Information Technology Capital Fund addresses the City's aging information technology infrastructure and the unmet technology needs throughout the City. During the past several years, many of the City's desktop computers have been replaced with newer, more efficient models; this replacement cost is an ongoing expense of \$125,000 per year as the life span of most desktops is no more than four years. Other ongoing, annual appropriations are provided for the replacement of public safety mobile units and network servers of \$50,000 and \$100,000, respectively. Other technology infrastructure improvements that have no long-term replacement funding or are inadequately funded at this time are included in the Identified Capital Needs document, which is discussed in greater detail in the next section of this letter.

The largest Information Technology project is the replacement of the City's outdated legacy financial system with an Enterprise Resource Planning (ERP) system. Several key modules pertaining to human resources, permitting, and payroll were implemented during FY2015. Completion of the full implementation is expected by the end of FY2016 with a budgeted total cost of \$4.11 million.

Several technology projects that were approved in last year's CIP but not completed are again slated for FY2016. As noted in the "New Projects" section, the Council Chambers are scheduled

*FY2016-FY2025 Capital Improvement Program*

to undergo a major upgrade at a cost of \$750,000. Much of the existing equipment, which is approximately eight years old, in constant need of repair, and some of the key components of the system which are no longer supported by the vendors, will be replaced. Another new project will replace the current automated agenda management system, which lacks the required functionality for reaching a “best practices” standard and maximizing efficiency, at a total cost of approximately \$100,000. Lastly, a pilot project totaling \$200,000 will be implemented that serves to investigate the viability of public security cameras. Funding for these new projects will be provided through a transfer from the General Fund.

Successful implementation of projects within this fund is wholly dependent on the assessment of Information Technology Charges on supported departments, and possible transfers from the General Fund. Staff is working to identify funding sources to replace major systems, such as the new CAD/RMS system, as they become outdated in the future.

**Fleet**

Commencing with the FY2011 CIP, Fleet capital replacement funds were added, one for General Fund vehicles and one for Enterprise vehicles. General Fund vehicle needs are separated as to Police, Fire, and general fleet. From FY2016 through FY2025, a total of approximately \$26.9 million is budgeted for General Fund fleet purchases as follows: Fire Department (\$12.2 million); Police (\$8.2 million); and other General Fund (\$6.5 million). Primary identified funding sources include proceeds from loan financing and internal service charges.

In the case of Enterprise vehicle replacement, annual funding is now being transferred from the Enterprise funds for their planned vehicle replacements. From FY2016 through FY2025, a total of approximately \$6.8 million is budgeted for Enterprise-related fleet purchases as follows: Sewer Division (\$2.4 million); Water Division (\$2.5 million); Stormwater Division (\$1.1 million) and Airport (\$800,000).

Staff is committed to ensuring that the City’s fleet of vehicles reflects Council’s “green” priority. To that end, staff has thoroughly evaluated and is incorporating (where possible) the use of “green” technology into vehicle purchases. Furthermore, staff has been critically assessing the needed amount of fleet vehicles, reducing the number of “take-home” vehicles, and determining which vehicles are non-essential and thus have been or can be removed from the City’s fleet and not replaced.

**Identified Capital Needs**

The last section of the CIP is the Identified and Unfunded Capital Needs section. As previously noted above, the list was significantly modified for the FY2016 CIP in order to remove projects that will be completed with Measure C and Measure BB funds. Such projects are noted in grey on the list, include improvements to fire stations 1-6, construction of a new 21<sup>st</sup> Century Library and Community Learning Center, and \$1 million per year for paving improvements.

As previously stated, primarily due to the passage of both sales tax measures mentioned above, the amount of the projects contained in this section has been reduced considerably – from over \$510 million in FY2015 to about \$300 million in FY2016. The most significant reduction occurred with street and transportation-related projects, which were valued at almost \$334 million in FY2015 but were reduced down to \$205 million for FY2016. Projects under this category generally include interchanges in the Industrial Area, including many interchange-

related projects along the 880 and 92 corridors, street improvements as identified in various neighborhood plans, as well as Citywide paving projects. Almost \$130 million of such projects are now funded due to the new tax measures. The Major New Facilities section also was reduced significantly, from almost \$152 million to \$92 million, primarily due to funding that was secured for the new 21<sup>st</sup> Century Library and Community Learning Center.

Costs are generally broken down into the following categories:

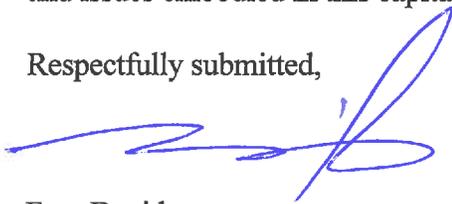
• Street & Transportation-Related Projects: (includes projects in Industrial Area totaling \$101 million)	\$205,298,000
• Major New Facilities Projects:	\$ 91,700,000
• Technology Services:	\$ 4,195,000
• Facility Maintenance and Improvement Projects:	\$ 2,513,500
<b>Total</b>	<b>\$303,706,500</b>

It is important to reiterate that this list identifies critical needs that have, as of now, no identified funding sources. The number of projects will continue to grow over time as will the amounts needed to fund these extremely important upgrades/repairs to infrastructure and equipment.

In light of the ongoing structural deficit in the General Fund, staff has re-doubled its efforts to dedicate as many financial and staff-related resources as possible towards projects deemed as most critical to both the community and Council. As noted earlier in this letter, although General Fund transfers have been identified to fund critical Police, Fire, and Maintenance capital and fleet replacement needs, many of the projects may need to be postponed if the proposed transfers from the General Fund are needed to balance the budget for FY 2016 and/or beyond.

Attached to this letter is a summary of the key assumptions (Attachment A) that were used in preparing the FY 2016 CIP. The staff and I look forward to discussing with Council the projects and issues embodied in this capital plan.

Respectfully submitted,



Fran David  
City Manager  
ICMA-CM

Attachment A – Assumptions

## ATTACHMENT A

FY16 Capital Improvement Program  
Working Assumptions

1. Interest Rates: Rate of return on existing fund balances - 2% for FY16-FY19 and 3.0% for FY20-FY25.  
Projected interest rate on City borrowing - based on current market information - 4.0% per year.
2. Construction Inflation Rate: 1% per year.
3. Monies received from Gas Tax, which includes Proposition 111 (Gas Tax), are expected to be about the same for FY16 as they were for FY15. For FY17, Gas Tax receipts are expected to increase slightly, as reflected in the 1% increase from FY16. For FY18 through FY25, Gas Tax has been escalated by 1% per year as well. Transfers to the General Fund from the Gas Tax Fund to support eligible expenditures for FY16 will be \$225,000.
4. Based on sales tax projections provided by the City's Finance Department, anticipated revenue from the Measure B program is assumed to be \$2,214,000 in FY16 and \$2,241,000 in FY17 (an increase of 1% for both FY16 and FY17); future increases are also estimated at 1% from FY18 through FY25.
5. Monies received from the Measure B Non-Motorized Fund for pedestrian and bicycle improvements are assumed to be \$443,000 in FY16 and \$449,000 in FY17 (an increase of 1% for both FY16 and FY17); future increases are also estimated at 1% from FY18 through FY25.
6. The City will receive \$744,000 in FY16 and then \$752,000 in FY17 for street improvements due to a recent voter-approved increase of \$10 to the vehicle licensing fee; this amount has been escalated by 1% per year from FY18-FY25.
7. Due to a moderate rebound in development, revenue from the Construction Improvement Tax is expected to increase by \$50,000 (from \$200,000 to \$250,000) in FY16. From FY17-FY25, revenues are assumed to continue at this level.
8. The per year transfer from the Route 238 Trust Fund related to the Route 238 Corridor Improvement Project will increase to \$400,000 for FY16; the transfer for FY17 and FY18 will continue at this level, with the transfer ending in FY19 with an amount of \$50,000.
9. Funds received under the Governor's Traffic Congestion Relief Program (TCRP) established under Proposition 42 were eliminated in FY11 and replaced by a Gas Tax "swap," which serves to backfill the amounts that would have been provided through Proposition 42. This amount is transferred from the Gas Tax Fund to the Street System Improvements Fund on a monthly basis. It is estimated that this amount will be about \$700,000 in FY16; FY17 is expected to increase to \$1.3 million, with future years (FY18-FY25) estimated to increase by 1% per year.

- Monies received under this source will be applied towards street maintenance projects.
10. In prior years, the transfer from the General Fund to the Transportation System Improvement Fund was significantly reduced in order to reduce General Fund expenditures. However, the \$350,000 per year transfer from the General Fund to the Transportation System Improvement Fund was re-established in FY13 and will continue at that level through FY25; this transfer provides funding for transportation projects.
  11. Planned transfers from the sewer and water operating funds to the capital funds allows for critical capital projects identified in the Sewer and Water System Master Plan Updates, plus the Water and Sewer Seismic Study, to be accomplished.
  12. Continued transfers from the Airport Operations Fund provide funding for Airport Capital Improvement Projects identified in the Airport Master Plan and Updated Airport Layout Plan.
  13. Facility charges against operating budgets will provide \$300,000 each year from FY16 through FY25 to provide an ongoing funding source for the Facilities Internal Service Fund.
  14. A FY16 transfer of \$1,380,000 from the General Fund will fund various projects in the Technology Services Internal Service Fund, such as public safety mobile replacements and network server replacements.
  15. A transfer of \$243,000 from the General Fund into the Capital Projects (Governmental) Fund in FY16, with the amount increasing to \$279,000 in FY17. From FY18-FY25, the amount of the annual transfer will gradually increase from \$289,000 in FY18 to 406,000 in FY22-FY25. The amount to be transferred will depend on residual fund balance and the overall level of need in future years. These transfers will provide critical funding necessary for major equipment replacement, such as fire hoses, self-contained breathing apparatus, guns, and replacement equipment for maintenance services.
  16. In order to replace vehicles within the Enterprise funds each fiscal year, the following annual transfers will occur into the Fleet Management Enterprise Capital Fund: \$286,000 from the Water Fund; \$71,000 from the Airport Operating Fund; \$240,000 from the Sewer Fund; and \$85,000 from the Stormwater Fund.
  17. In order to replace vehicles within departments funded through the General Fund, transfers into the Fleet Management General Fund Capital Fund will be \$1,500,000 in FY16. For FY17-FY19, the transfer will increase by \$500,000 per year, culminating in a transfer of \$3,000,000 into the fund by FY19 and continuing through FY25.
  18. The Program reflects expected cash flow in future program years and Council appropriations carried forward from the current year.



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**MEETING**

A regular meeting of the Hayward Planning Commission was called to order at 7:00 p.m. by Chair McDermott.

**ROLL CALL**

Present: COMMISSIONERS: Schott, Loché, Enders, Faria, Lavelle, Parso  
CHAIRPERSON: McDermott  
Absent: COMMISSIONER: None

Commissioner Parso led in the Pledge of Allegiance.

Staff Members Present: Hinkle, Lawson, Madhukansh-Singh, Nguyen, Rizk

General Public Present: None.

**ELECTION OF VICE CHAIR**

Chair McDermott made a motion to elect Commissioner Parso as Vice Chair. Commissioner Loché seconded the motion.

AYES: Commissioners Schott, Loché, Enders, Faria, Lavelle  
Chair McDermott  
NOES: None  
ABSENT: None  
ABSTAIN: Parso

**PUBLIC COMMENTS**

There were none.

**WORK SESSION**

1. Industrial Corridor/ Baseline Establish

Development Services Director Rizk introduced Economic Development Manager Hinkle.

Economic Development Manager Hinkle shared that the Industrial Corridor/Baseline Industrial Profile included foundational data and he emphasized the need for identifying the diversity of businesses located within Hayward's industrial districts and the goods and products that these



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companies produced. He stated that it was important to determine what concerns businesses located in Hayward have and what could be done to enable them to grow and expand.

Economic Development Manager Hinkle introduced Economic Development Specialist Nguyen who presented the staff report and the findings of the study.

Chair McDermott thanked staff for the comprehensive report.

Commissioner Lavelle stated that the report was educational and was pleased to learn that there was an array of businesses operating in Hayward. She understood the importance of connecting these businesses to each other.

Economic Development Specialist Nguyen clarified for Commissioner Lavelle that the Top 50 Industrial Businesses in Hayward mentioned in the staff report were based on employment size, adding that the Top 50 could also be identified by sales tax revenue.

Commissioner Lavelle noted that other entities located outside the Industrial Corridor that were also large employers in the City consisted of the Hayward Unified School District, the City of Hayward and other government employers.

Commissioner Lavelle agreed with the recommendations made under ES-3 listing the need for amenities such as retail, lodging, restaurants, childcare services, and suggested that transit be considered an amenity. She stated that there should be a way to connect the BART station with businesses in the area, noting that Union City has a bus company that fills this need for its city. Commissioner Lavelle mentioned that the Hayward Shoreline and the walking trails along Highway 92 were underutilized amenities in the city and suggested that open space and trails be identified as additional amenities and resources available to businesses operating in Hayward.

Commissioner Parso was pleased with the staff report and appreciated staff thoroughly discussing the methodology used in the study and also for sharing data sources. In regards to business continuity after a major disaster, he raised the question of what plans were in place to keep businesses operating in the city after an earthquake. As an example, he shared that after Hurricane Katrina, New Orleans experienced a loss of 60% of their tax revenue as companies folded up and never returned. He would like to see a long term plan that will address the following after a disaster: debris removal, no parking accommodations to allow the electric company to get electricity up and running, and to bring telecommunications back online. He suggested connecting the various trails throughout the city including the foothills route and bay trail, and connecting this with the industrial area and other residential areas to have a trail that will be at least 22.6 miles long as this could help bring a marathon to Hayward. Commissioner Parso commented that marathons may attract residents that work in advanced industries and in the high-tech sector. He noted that the city should expand wireless internet service.



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Commissioner Loché thanked staff for the in-depth report. Being mindful of the rapid changes in the business sector, Commissioner Loché asked staff if the information presented in the staff report was something that could easily be updated in the future to allow continued use of this data. Economic Development Specialist Nguyen responded that the database was considered a living database and shared that there were several avenues for updating the database which included routine updates by the Economic Development team and getting refreshed data from the vendor Infogroup.

Commissioner Schott spoke about the benefits of transit options being closely situated to businesses, exemplifying that some of his employees utilize public transit for commuting to and from work. He shared the impacts on wireless connections throughout the city with the closure of the Warren Hall building at the California State University East Bay (CSUEB). He suggested staff look into adding compact information systems to the database. Commissioner Schott shared that the business community in Hayward was at an advantage due to the vast availability of local resources, the central location of the city for distribution purposes, and the proximity to freeways. He mentioned the need to attract higher income workers, managers and business owners to relocate and live in Hayward. Commissioner Schott suggested connecting businesses operating in Hayward with CSUEB students to create internship opportunities. He supported that childcare services be available in business parks as this will be a desirable option for young working parents who want to keep their children close to where they work.

Economic Development Manager Hinkle noted for Commissioner Schott that his suggestions were already incorporated in the Economic Development Strategic Plan, which was approved by the City Council.

Commissioner Schott noted that the city recently approved two concrete recycling companies, emphasizing that it was a big opportunity to market that Hayward has a lot of existing flat land and that demolishing existing property was a cost-effective alternative to finding new flat land. He was pleased that the staff report highlighted the industrial corridor as the economic driver in the city. Commissioner Schott stated that if the city could bring a healthier industrial base with newer buildings, this would translate to higher property taxes. He pointed out that it would be difficult for a high end restaurant to flourish in the industrial corridor.

Commissioner Enders stated that the report was a great foundation for the future. In response to Commissioner Enders' question, Economic Development Manager Hinkle spoke about the marketing and branding initiative of the Economic Development Strategic Plan where focus will be directed towards how great Hayward is for businesses. He stated that attention will be given to placing gateway markers indicating the entry and exit points in and out of the city. He noted that another opportunity would be connecting those employed in Hayward with amenities such as the bay trail. He added that there may be opportunities to redevelop some properties in the city and utilize this space as a retail hub. Mr. Hinkle stressed the importance of having a partnership with the business community in identifying what the needs of various businesses may be. He commented



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that although there seems to be growth in the business community, the challenge was that the labor market had tightened and that it was hard for businesses to find a qualified workforce.

Commissioner Enders suggested highlighting the labor force in the community. She stated that the staff report address what attracts employers and what attracts employees to the area. She recommended that staff engage in conversations with the Hayward Area Recreation and Park District (HARD) to get trails, open space, picnic tables, and other types of recreation that the employees seek.

Commissioner Faria shared that the report prepared by staff was very valuable in that it contained information that could be leveraged to attract businesses to Hayward that would support residents and workers, and highlighted that the City now had the economic capability to support businesses that may not have operated in the city in the past. She stressed the importance of the city addressing the need for high speed internet that would support businesses in Hayward. She requested that the Economic Development team make presentations at Planning Commission meetings regularly to keep the Commissioners informed so that decisions made by the Planning Commission are consistent with economic development priorities.

Economic Development Manager Hinkle noted for Chair McDermott that there will be an annual report on the Economic Development Strategic Plan that will be presented to the City Council and Planning Commission. He shared that Community and Media Relations Officer Holland was involved with the marketing and branding plan, as well as the website re-launch.

Chair McDermott stated that as was indicated in the staff report, there were some businesses in the industrial corridor that posed a potential hazardous materials risk to residents. She asked if the Fire Department would have to increase their resources and/or undergo more training in order to be able to work with the businesses in the industrial corridor dealing with hazardous materials. Economic Development Manager Hinkle indicated for Chair McDermott that the questions pertaining to hazardous materials could best be answered by the Fire Chief; however, he commented that there was an extensive process for when hazardous materials were brought into the community. This process entailed evaluating hazardous materials according to CUPA standards, and ensuring that hazardous materials were categorized, handled and stored safely by businesses. He added that the process also included annual inspections for Fire Department staff. Mr. Hinkle stated that as businesses working with hazardous materials grow, the Fire Department will work proactively to ensure that businesses were compliant with requirements.

Chair McDermott emphasized that it was important to continue to work with educators in our community so that they can prepare students and connect them with employment opportunities locally.

Commissioner Schott stated the dire need that the business community had for broadband high speed internet as it could be crucial for tasks like operating a call center. He commented on the



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traffic challenges at West Winton Avenue and Hesperian Boulevard and urged that this be addressed as more businesses develop in this area.

Economic Development Manager Hinkle described for Commissioner Schott that the former Kaiser site was a catalyst site in the city that could serve as a business development opportunity and mentioned that this site would be further evaluated through the Economic Development Strategic Plan. Mr. Hinkle noted for Commissioner Schott that staff was engaged in conversations with Gillig, a longstanding business in Hayward that was looking to expand and unfortunately there was not enough space to accommodate the expansion of this business. Mr. Hinkle shared that the parts and distribution center will be maintained in the city.

Commissioner Schott expressed the importance of retaining businesses in the community, commenting that most companies exit the city due to expired leases. He stressed that commercial rental space was cheap in Hayward. He shared that being able to receive two Housing and Urban Development (HUD) loans was extremely beneficial to his company as it enabled him to expand operations and hire more workers. He urged that as such opportunities become available, that they be communicated to local businesses.

Economic Development Manager Hinkle underscored that the three elements of Economic Development were retention, expansion and recruitment.

Commissioner Lavelle shared that businesses in the advanced industries sector could potentially serve as a great employer in the city as these types of businesses sometimes required a workforce with less education.

Director Rizk commented that the industrial corridor was an underappreciated area of the city, especially given that 45,000 individuals were employed within this area. He noted that Hayward was fortunate in that there were a variety of businesses operating in the city. He stated that the industrial area zoning regulations may be outdated as they were developed with an emphasis on traditional manufacturing and warehousing. He added that staff will modify the regulations to make them current and applicable towards the advanced industries sector. He mentioned incorporating performance based zoning elements, and referenced as an example allowing a child care center, if there was a hazardous mitigation plan in place for a property. Mr. Rizk noted that it would be plausible to have a Fire Department-approved mitigation plan or a hazardous materials mitigation management plan that would not require businesses to undergo a Conditional Use Permit process. He emphasized that the goal was to attract and make it easier for desired industries to start business operations in Hayward. Mr. Rizk stated that he will try to arrange for Community and Media Relations Officer Holland to make a presentation to the Planning Commission on the City's marketing and branding campaign. He shared that as was addressed in the General Plan, Economic Development staff was working on workforce development which included connecting with local academic institutions, students and young professionals to encourage them to pursue working in advanced industries. He added that fiber optic data capacity was a high priority on the City



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Manager's and City Council's list, emphasizing that this was a critical infrastructure amenity for the industrial business community. He commented that staff would also explore attracting certain businesses to the city by incentivizing, such as via a break on sales tax for the first couple of years.

**COMMISSION REPORTS**

2. Oral Report on Planning and Zoning Matters

Director Rizk noted the following topics scheduled for future meetings: the April 23, 2015 meeting would include a formal site plan review of the New Library and Community Center; the May 14, 2015 meeting would include a text change to create a zoning compliance permit; the May 28, 2015 meeting would include a public hearing on Sign Regulations.

3. Commissioners' Announcements, Referrals

Commissioner Schott shared that the Hayward Education Foundation was a successful event.

**APPROVAL OF MINUTES**

4. Approval of the Minutes of the Planning Commission Meeting on February 19, 2015  
The Planning Commission meeting minutes of February 19, 2015 were approved with Commissioner Loché abstaining.

**ADJOURNMENT**

Chair McDermott adjourned the meeting at 8:23 pm.

**APPROVED:**

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Heather Enders, Secretary  
Planning Commission

**ATTEST:**

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Avinta Madhukansh-Singh, Senior Secretary  
Office of the City Clerk



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**MEETING**

A regular meeting of the Hayward Planning Commission was called to order at 7:00 p.m. by Chair McDermott.

**ROLL CALL**

Present: COMMISSIONERS: Schott, Loché, Enders, Faria, Lavelle, Parso  
CHAIRPERSON: McDermott  
Absent: COMMISSIONER: None

Commissioner Enders led in the Pledge of Allegiance.

Staff Members Present: Briggs, Buizer, Fakhrai, Lawson, Madhukansh-Singh, Reinhart, Rizk

General Public Present: 4

**PUBLIC COMMENTS**

There were none.

**PUBLIC HEARING**

1. Proposed New 21st Century Library and Community Learning Center and Heritage Plaza/Arboretum Project at 22693/22695 Mission Boulevard and 822/835 C Street, Requiring Approval of Site Plan Review, Variance for Setbacks, and Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program; City of Hayward (Owner/Applicant)

Planning Manager Buizer provided a synopsis of the staff report.

In response to Commissioner Loché's question about concerns that the Post Office had about potential impacts of the project, Planning Manager Buizer noted that this concern had been addressed pointing out that the mitigation measure language had been modified to meet the Post Office's request which included the following: that all repairs to the Post Office building follow the Secretary of the Interior's Standards for the Treatment of Historic Properties and that the repairs be approved by the Postal Service Federal Preservation Officer before the repairs are performed.

Commissioner Lavelle pointed out that Condition of Approval No. 4 mentioned the operation of a café inside the new library building and expressed that she was excited about this feature and she asked staff if an operator of the café had been identified. Public Works Engineering and Transportation Director Fakhrai stated that a decision has not yet been made as to who would



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operate the café; however, he shared that the following downtown businesses have expressed interest in the café: Eko Coffee Bar and Peet's Coffee. Commissioner Lavelle commented that she would be pleased to see a local company operating the café.

In response to Commissioner Lavelle's question about the naming of the library, Director Fakhrai shared that the Hayward Main Library presently had the name of Cesar Chavez attached to it and mentioned that this name may carry to the new location. He commented that a determination had not yet been made if there will be a new name for the library and added that any decision regarding the name would require further community outreach. Commissioner Lavelle suggested that the community meeting rooms in the new library be named in memory of or to honor Hayward residents or activists in the community who helped bring the new library project to fruition.

Commissioner Schott asked staff if the narrowing of C Street would impact the route of AC Transit. Director Fakhrai responded that currently, C Street had two wide vehicle travel lanes, noting that after the narrowing of C Street, the street will continue to have two travel lanes and that these will continue to be wide enough for AC Transit buses. Director Fakhrai noted for Commissioner Schott that AC Transit had not indicated that they will move the bus route. Director Fakhrai confirmed for Commissioner Schott that speed bumps, humps and circles were some traffic calming measures, and further cited that narrowing roadways and striping were also traffic calming measures.

Commissioner Schott inquired if other properties besides the property owned by Mr. Shah at the Club Me site, would be impacted by the project. Planning Manager Buizer responded that this would have to be evaluated based on the proposals received for operating businesses at other sites, noting that the alcohol regulations dictate how many alcohol establishments are permitted per block face. She shared that staff had not received many inquiries for sites around the project site.

In response to Commissioner Schott's question if the Post Office had agreed to the city's acquisition of the unused parking strip, Director Fakhrai stated that the city had a tentative agreement with the postal service office and noted that staff was working on finalizing a purchase and sale agreement.

In response to Commissioner Faria's question: Director Fakhrai noted the following parking options in the area surrounding the new library: there will still be parking available on the south side of C Street between Watkins Street and Mission Boulevard; on the north side of C Street, there will be no parking in front of the new library but there will be diagonal parking available in front of the Post Office; the parking spaces on Mission Boulevard next to the library and the current park will be preserved; and he emphasized that the primary parking for the library would be the municipal parking garage.

Commissioner Faria expressed concern if there would be sufficient parking available in the municipal parking garage given that there were many individuals that park in the garage who utilize the shuttle service transporting patrons to a nearby card club.



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Director Fakhrai commented that as a part of an environmental assessment, a parking study was performed and the results were that there was an adequate number of parking spaces between the municipal parking garage and the street parking to accommodate the parking demands of the new library building.

Chair McDermott raised concerns about the two hour parking limitations in the municipal parking garage and asked staff if there would be consideration for long term parking. Director Fakhrai indicated for Chair McDermott that the parking time limitation that was implemented was an interim program that will most probably be changed in the future since the city is in the process of conducting a downtown parking study, the results of which will be available by next fall or winter. He pointed out that a majority of the parking spaces in the garage have a four hour time limitation and that the two hour limitations were primarily for patrons of merchants with businesses on B Street.

Commissioner Parso was delighted with the proposed project coming to Hayward. He commented that the project will generate more pedestrian traffic in the area and asked staff if a study had been conducted evaluating pedestrian safety. Planning Manager Buizer stated that pedestrian safety had been included into the design elements of the proposed project and shared that some of these included the different materials that will be used for street paving, connections between the park and the library, and the new library's frontage. She added that the Downtown Specific Plan and other transportation improvement projects including the parking study will evaluate pedestrian connectivity in the downtown area and will take into account the improvements that can be made to this.

Chair McDermott opened the public hearing at 7:26 p.m.

Ms. Marcy Timberman, a Hayward resident, emphasized the need for a public bathroom in the Heritage Plaza. She mentioned that the following downtown merchants were in support of this proposal: Mr. Elie Goldstein, Kraski's Nutrition; Renee Rettig, from The Bookstore; Alfredo Rodriguez, Vintage Alley; Mr. Khan, Copy Pacific; Sid Hamadeh, Eko Coffe Bar & Tea House. She commented that lack of public restrooms were a major public health issue and not just a homeless issue, and was also worried that the city could not create a welcoming and inviting public park without addressing this issue. Ms. Timberman noted that the restrooms available in the new public library would be closed from dusk to dawn. She shared some violations related to human waste that had occurred in areas adjacent to the project site to demonstrate the need for a public restroom in the area.

Mr. John Super, a Hayward resident, referenced EDL-6.9 (Education and Life Long Learning Element) and HQL-5.2 (Health and Quality of Life Element) of the General Plan Policies in the staff report. He supported utilizing the proposed Library Park for outdoor festivals, musical performances, cultural events, and farmer's markets, and also underscored the importance of having conveniently located public restrooms at the project site. He shared that the members of the public



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will routinely use the restroom located inside the barber shop he visits as a public restroom as this was situated near the library.

Mr. Raymond Baker, property owner in Hayward, expressed concern about using the proposed project site as open space. He shared that converting Castro Plaza into a public park was contrary to the intent of Mr. Castro when he had originally dedicated this property to the City of Hayward. Mr. Baker supported maintaining the present library and incorporating this in a useful way for educational purposes.

Mr. Baker indicated for Commissioner Schott that the original deed for the property was on file with the Alameda County Recorder's Office.

Chair McDermott stated that there was a lot of public input on the project that was accomplished through a significant outreach to the community. Mr. Baker indicated that he had shared this information during the community meetings held for the new library.

Mr. John Ruzic, a Hayward resident, was excited that the new library would be a modern structure. He mentioned that he lived across the street from where the present library was located and concurred with the need for a public restroom as he had witnessed people urinating in the open space area. In response to Mr. Ruzic's concerns about motorists speeding on C Street and pedestrian safety, Director Fakhrai responded that there will be a raised crosswalk on C Street and plenty of signage and striping to alert vehicles to slow down.

City Attorney Lawson indicated for Commissioner Enders that staff did not have any concerns about Mr. Baker's observations.

Commissioner Faria requested that staff speak to the concerns expressed by the public regarding public restrooms. Director Fakhrai noted that the concerns about having public restrooms separate from those that will be provided in the new library were recently brought to the attention of staff. He pointed out that the new library building was proposed to have more public restrooms than the existing building had, noting that there would be restrooms on each floor of the library and mentioned that the new library would be open six days a week. He said that having public restrooms in the heritage plaza will have an initial cost and ongoing maintenance issues. Director Fakhrai shared that Library and Community Services Director Reinhart did an analysis and determined that having the new library open seven days a week was a feasible alternative that could be accomplished with additional funding. Director Fakhrai highlighted the benefits of having the library open seven days a week would be an enhanced service to the community so that they can visit the library and also have the public restrooms open seven days a week. He stated that the operators of large events such as the Farmer's Market and the Off the Grid food trucks provided their own portable restrooms and placed these in the municipal parking garage, which would continue to be the case.



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Commissioner Loché asked if staff had received requests regarding the need for public restrooms from downtown businesses that had hours of operation beyond the library's schedule. Director Fakhrai responded that staff had not received such requests from businesses in the area.

Commissioner Lavelle was highly impressed with the Green Building Components that will be featured in the project and commented that this project will put Hayward on the map. She requested that the project architect explain how the rainwater catchment storage system will work and whether the current drought conditions will impact whether this will be a successful feature of the new library.

Chris Noll, project architect, indicated that there were many features of the new library project making it a sustainable building, and shared that the water catchment was one of the most innovative features of the project. He stated that there would be a savings of approximately half a million gallons of water per year by storing the rainwater from the roofs of the new library, parking garage, the plaza site and the streets by funneling the rainwater in. He confirmed for Commissioner Lavelle that even in a drought year, the water storage tank was expected to be filled. Mr. Noll shared that the rainwater would be filtered and sanitized and would then be used for flushing toilets in the new library and also for irrigation purposes at the project site. He noted that the goal was to have the project certified as LEED Platinum and this could be accomplished if the water catchment system was able to be incorporated into the budget. He shared that the usage of photovoltaic panels would result in energy savings for the library. Mr. Noll added that overall, there will be low energy consumption due to the design of the building featuring lots of windows and allowing for a lot of daylight. He said that the electrical lighting would be supported by the photovoltaic panels that will be placed on top of the building and noted that no fossil fuels would be utilized in the building. Mr. Noll mentioned that some recycled materials will be used for the construction of the building.

Commissioner Lavelle appreciated that the new design of the library would feature ample natural lighting.

Mr. Noll confirmed for Commissioner Schott that the water storage tank will be located in what is presently the basement of the library and he shared that this will be lined with a waterproof membrane. He described that the water will be pre-filtered through sand and will then be further filtered, treated with UV light and sterilized before it is pumped out for use. Mr. Noll confirmed for Commissioner Schott that the surface above the water tank will be the oval plaza area and that this space will be pedestrian friendly.

Commissioner Schott asked if there would be any impacts to the water catchment system if a public restroom was approved to be installed in the heritage plaza. Mr. Noll responded that there would be no impacts, noting that the stored water could be used to flush the toilets in the public restroom.

Mr. John Super asked staff if downtown merchants had been consulted regarding their preferences for a public restroom at the proposed site, and also raised the question whether it was possible to



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incorporate the cost of a public restroom into the budget of the new library and heritage plaza project.

Ms. Timberman shared that she spoke with six downtown businesses who expressed support for having a public restroom.

In response to Ms. Timberman's question if staff had inquired with downtown businesses if they wanted a public restroom at the proposed project site, Director Fakhrai responded that staff had conducted a very healthy outreach to the community since 2007 and this included having held a number of public information meetings. He indicated that periodically, the question of having a public restroom would come up; however, the need for a public restroom was never strong enough where it required staff to perform further analysis. He underscored that staff had never received any requests from the downtown merchants whether they were or were not interested in having a public restroom at the plaza.

Chair McDermott thanked Ms. Timberman for her efforts in reaching out to downtown businesses.

Chair McDermott closed the public hearing at 7:58 p.m.

Commissioner Parso supported having public restroom facilities in the plaza that could be utilized when the library was closed. He suggested that stainless steel be considered for the construction materials of the public restrooms both inside and outside the library building, and advised against the use of porcelain materials. Mr. Parso recommended that staff study what other communities have done to minimize maintenance and maximize the durability of their public restrooms. He recommended that it be possible to clean out restroom facilities with a fire hose.

Commissioner Parso made a motion per staff recommendation and with the following two amendments to include having a public restroom in the plaza and that pedestrian safety remain at the forefront as this project is being built. The motion died due to lack of a second.

Commissioner Lavelle commented that although she agreed that there was a need for additional public facilities such as restrooms, in the downtown, she supported the staff recommendation as suggested in the staff report. She highlighted that the library staff had done an admirable job in trying to keep the library and the restrooms clean, despite the use of these facilities by a variety of individuals. Commissioner Lavelle commented that she wanted the downtown businesses to be successful and she did not favor uncleanly individuals loitering around the entryway to the new library; however, she emphasized that the proposed project had been designed with much thought and input for eight years. She underscored that there would be significant costs to both building and maintaining public restrooms. Commissioner Lavelle opposed the proposal of a new element, such as public restroom facilities in the heritage plaza that may stymie the progress of the given project.



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Commissioner Faria expressed that public facilities be considered in some way and would not want to see the new library being used as a lavatory where people drop in to solely use the restroom. She supported that the City Council consider the addition of public restrooms in the plaza.

Director Rizk clarified for Chair McDermott that the Planning Commission was making a decision at the present meeting on whether or not to approve the variance and site plan for the project, and that the motion could include a recommendation that the City Council consider public restroom facilities in the plaza.

Commissioner Parso made a motion to approve the project per staff recommendation, and recommended that the City Council strongly consider providing public restroom facilities in the plaza.

Commissioner Loché seconded the motion emphasizing that he did not want to delay the library project due to the consideration about the public restrooms. He commented that the new library was a gorgeous project and that a lot of work went into the design. He urged that there be some type of display or a plaque inside the new library informing visitors of the library's sustainable features. Commissioner Loché expressed concern about the high traffic in the loop area where the library was situated, and he underscored the need for safety measures for bicyclists since the new library would become a popular destination. He was particularly worried about children riding their bicycles to the library from schools and requested that staff be mindful of this concern.

Director Fakhrai responded that he was comfortable with the design of the new library as it met all safety requirements, and noted that the city will be embarking on a number of traffic studies. He highlighted that a city-wide pedestrian and bicycle master plan study will be conducted that would include many amenities and safety features being added to areas with high pedestrian and bicycle activity, including the downtown area.

Commissioner Loché expressed that he was looking forward to the building of the new library and hoped that there would be a concerted effort to obtain the downtown businesses' input about public restrooms in the plaza.

In response to Commissioner Enders' question about considerations for safety and lighting in the plaza, Director Fakhrai stated that the plaza had been designed with adequate lighting for vehicles and pedestrians and noted that the Hayward Police Department had been consulted for the lighting design features.

Director Rizk clarified for Commissioner Schott that the City Council's action will still be required for other phases of the project, including the construction plans and bids.

Commissioner Enders asked staff to address if the public restrooms concern had been previously raised. Director Fakhrai responded that staff did consider having public restrooms in the plaza and



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commented that although there was a need for additional public restroom facilities in the downtown area staff determined that the plaza would not be the appropriate place for this. He shared that based on what had occurred in surrounding cities, public restroom facilities sometimes became sleeping corridors for individuals. He mentioned that in Oakland, state of the art public restrooms were installed around Lake Merritt and noted that these facilities were full of graffiti and that every night they were being used as a sleeping area. Director Fakhrai stressed that having public restroom facilities in the plaza will burden city staff in the Police Department and the Maintenance Services Department with having to monitor and maintain the restrooms to ensure that they are clean and safe. He noted the following reasons for not including a public restroom facility in the site plan for the plaza: there would be a similar facility located inside the new library building which would be open during most times of the day; staff was exploring having the library open seven days a week; and due to the long term maintenance and safety concerns.

Library and Community Services Director Reinhart stated that all members of the public were welcome to visit the library and use the restrooms. He highlighted that the difference between the restrooms in the library versus unattended public restrooms in the plaza was that his staff was there to oversee that the restrooms were being appropriately used. He shared that staff performed an initial cost analysis and it was determined that it would cost less to keep the library open seven days a week rather than to operate a public restroom facility in the plaza and have to maintain this.

Commissioner Schott expressed that he did not support the motion as stated due to the recommendation to include public restroom facilities, emphasizing that it would be expensive for the city to maintain a public restroom facility in the plaza.

Commissioner Loché commented that he understood the potential challenges for the city that would come with operating public restroom facilities; however, he felt that the public restrooms had not been considered sufficiently which is why he favored the recommendation that this be reevaluated to determine if public restrooms were necessary or not.

Chair McDermott stated that this was an opportunity to carefully consider if there was a need for public restrooms in the plaza. She commented that the heritage plaza will be a place to congregate and that it was not always convenient to visit facilities across the street to utilize the restroom. She supported the motion and was mindful of the potential costliness of having public restroom facilities, but wanted to see the facts in what the costs would be.

Commissioner Lavelle expressed her support of the motion and spoke about the background of the project, commenting on how the Calpine project assisted with the funding for the new library and shared how many city leaders and residents worked hard to get Measure C passed for public services including the new library. She spoke favorably of the proposed project stating that it would be a beautiful modern building that will serve the city for perhaps the next 75 years and would be a great amenity for the community. Commissioner Lavelle referenced a staff report from November 18, 2014 which cited that the number one element of the new library would be that the library



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collection would consist of 200,000 books, which were twice as many hard copy books as were in the present library. She highlighted that the main purpose for a public library was so that the community can gather, read, enjoy, discuss and hear from authors about books.

Commissioner Schott shared that he was a part of the Rotary Club that built the toddler park at Giuliani Park. He stated that the same issue about having a public restroom facility at the park was raised and the concerns against having a restroom was that it would not be supervised and maintenance would be difficult.

AYES: Commissioners Loché, Enders, Faria, Lavelle, Parso  
Chair McDermott  
NOES: Commissioner Schott  
ABSENT: None  
ABSTAIN: None

### **COMMISSION REPORTS**

2. Oral Report on Planning and Zoning Matters

Council's Appointed Officials Handbook

Planning Manager Buizer shared the changes that were made to the Council's Appointed Officials Handbook which included the following: performance criteria for existing members, term limit for members of the Keep Hayward Clean and Green Task Force, Statement of Economic Interests forms for members of the Keep Hayward Clean and Green Task Force, and updates to clarify changes in the Handbook.

3. Commissioners' Announcements, Referrals

Commissioner Schott reported to staff that there was a streetlight pending to be installed near the CVS store on Dollar Street.

### **APPROVAL OF MINUTES**

4. There were none.

### **ADJOURNMENT**

Chair McDermott adjourned the meeting at 8:36 pm.



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**APPROVED:**

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Heather Enders, Secretary  
Planning Commission

**ATTEST:**

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Avinta Madhukansh-Singh, Senior Secretary  
Office of the City Clerk