



SUBJECT

Proposed Development of a New Residential Subdivision with 74 New Single-Family Homes and Eighteen Accessory Dwelling Units and Related Site Improvements, Including Construction of a Segment of the Foothill Trail and a New Roadway Connector from Bunker Hill Boulevard to Carlos Bee Boulevard, Requiring Approval of Zone Change and Tentative Tract Map Application No. 202003054. Trumark Properties LLC (Applicant), City of Hayward (Owner).

RECOMMENDATION

That the Planning Commission recommends Council approve the proposed Zone Change and Vesting Tentative Map (Tract 8637), subject to the attached Findings (Attachment II) and Conditions of Approval (Attachment III), and consistent with the Addendum prepared for the Parcel Group 5 Master Development Plan.

SUMMARY

The proposed project includes a Zone Change from Residential Natural Preserve District and Open Space District to Planned Development (PD) District on an approximately 37.75-acre former Caltrans 238 site (Parcel Group 5), to allow for development of a new 74-lot residential subdivision with eighteen accessory dwelling units deed restricted for very low income households, consistent with the adopted Parcel Group 5 Master Development Plan, the Request for Proposals issued for the subject property, and the Surplus Land Act.

The proposed PD District would allow for flexible development standards related to lot size, setbacks and building height to cluster the residential development on the flattest portions of the site and to retain approximately half of the most environmentally sensitive areas of the site as open space. The proposed development also includes construction of approximately 3,000 lineal feet of the Foothill Trail along the eastern project boundary and a new roadway connector that would run northeasterly from Bunker Hill Boulevard to Carlos Bee Boulevard. Portions of the Foothill Trail and the roadway connector would be located on an easement on California State University East Bay (CSUEB)-owned property.

The proposed project is subject to approval of a Disposition and Development Agreement (DDA) between the City and the applicant, Trumark Properties. The Council will consider the terms of the DDA in conjunction with the proposed development project at a public hearing tentatively slated for April 19, 2022.

BACKGROUND

Parcel Group 5 was one of the 400 parcels purchased by Caltrans for the planned construction of the 238 Bypass Freeway project, which was abandoned in the 1970s. On January 12, 2016¹,

¹ January 12, 2016 City Council Meeting. <https://hayward.legistar.com/LegislationDetail.aspx?ID=2545810&GUID=E2696F73-E81C-438B-8B7B-0F9DD081A836&Options=&Search=>

the Council adopted Resolution No. 16-004, authorizing the City Manager to negotiate and execute an agreement with Caltrans to acquire 17 properties along the 238 Bypass Corridor to remediate blight; support transit-oriented, mixed-use development; and ensure redevelopment of the properties under a coherent plan that meets the City's land use goals and other public purposes. As land is transferred and sold, the City is obligated to repay Caltrans the negotiated purchase prices for the various parcel groups under the 2016 agreement. The disposal of the 238 corridor properties to and by the City is authorized subject to conditions established by the Local Transportation Improvement Program (LATIP) statutes.

In addition to LATIP statutes, the proposed project is also compliant with the Surplus Lands Act (SLA). Per the SLA, as recently amended, cities must declare publicly owned land as either surplus or exempt surplus prior to the disposition process. While the transfers of the 238 corridor properties are subject to LATIP statutes, the City and the State Department of Housing and Community Development (HCD) agreed to take a parcel group-by-parcel group approach to ensure that the proposed development of the remaining 238 properties are also consistent with the SLA. To this end, Parcel Groups 3 and 5 were considered collectively, and based on the minimum affordability requirements of the SLA, a total of ten additional Accessory Dwelling Units (ADUs) deed restricted for very-low-income households (over and above the eight ADUs required per the adopted Parcel Group 5 Master Plan) were added to the proposed project. On February 3, 2022², the Council adopted Resolution No. 22-037 affirming the approach of combining Parcel Groups 3 and 5, and HCD concurred with the findings of the Resolution on March 1, 2022.

Master Development Plan & Developer Solicitation. On June 27, 2019³, the Planning Commission reviewed the Draft Parcel Group 5 Master Development Plan and related Addendum and recommended that the Council adopt the Plan with the following recommendations: that the development be required to provide defensible/fire resistant landscaping, that utilities be maintained to existing residents, that the sizes of lots be compatible with existing, surrounding development, that the riparian and creek setbacks be consistent with Alameda County standards, and that additional analysis be conducted around the proposed Carlos Bee/Bunker Hill intersection.

On July 9, 2019⁴, the Council adopted a resolution approving the Parcel Group 5 Master Development Plan⁵, a related Addendum and authorizing the City Manager to Issue a Request for Proposals for the disposition and development of Parcel Group 5 (Bunker Hill). In accordance with the approval, the City issued a Request for Proposals and received two responses from Brookfield Homes and Trumark Properties. Following a thorough review of the proposals, staff recommended that the City Council enter into an agreement with Trumark Properties to redevelop the site.

² February 3, 2022, City Council Meeting. <https://hayward.legistar.com/LegislationDetail.aspx?ID=5445846&GUID=82BBF7C7-FEFB-4A7E-A062-7C2F31A2F332&Options=&Search=>

³ June 27, 2019 Planning Commission Meeting: <https://hayward.legistar.com/LegislationDetail.aspx?ID=3993624&GUID=C781D105-AF12-4FCD-8ECD-A9BCC26BF582&Options=&Search=>

⁴ July 9, 2019 City Council Meeting. <https://hayward.legistar.com/LegislationDetail.aspx?ID=4056936&GUID=D7F51DDE-0E1C-48E1-B235-04CB3B32B939>

⁵ Caltrans Parcel Group 5 Master Plan. <https://www.hayward-ca.gov/sites/default/files/pdf/190717-parcel-group-5-master-development-plan.pdf>

Exclusive Negotiating Rights Agreement. On December 3, 2019⁶, Council adopted a resolution authorizing the City Manager to enter in an Exclusive Negotiating Rights Agreement (ENRA) with Trumark Properties to develop the property in accordance with the approved Master Development Plan. On August 6, 2020, the applicant submitted the subject application which is generally consistent with the approved Master Development Plan as detailed in the Policy Context/Code Compliance section below. Since initially adopted, the ENRA was extended and is set to expire on June 16, 2022, unless a DDA is adopted.

Cal State East Bay Easement. On December 14, 2021⁷, the Council adopted a resolution authorizing the City Manager to negotiate and enter in an easement agreement with CSUEB for a roadway and utility connection from the project site to Carlos Bee Boulevard. The proposed easement will run along the northern boundary of the project site where the proposed Foothill Trail will meander from the project site onto CSUEB property and run parallel to the proposed roadway connector to terminate at Carlos Bee Boulevard.

Public Outreach: Throughout the Master Development Plan process, staff held neighborhood and community-wide meetings on the Route 238 Corridor Lands Development projects in general. In addition to these large-scale community meetings, staff met with several neighborhood groups and individuals to garner additional feedback. The feedback from the meetings consistently revolved around the following issues:

1. Maintaining the rural character of the neighborhood, with neighbors expressing support to maintain existing zoning.
2. Constructing new public amenities like the Foothill Trail
3. Preserving open space for wildlife
4. Providing adequate on and off-street parking for residents and guests
5. Minimizing traffic impacts on surrounding neighborhoods
6. Constructing additional site access for construction activities and new vehicular access for the final development via extension of Bunker Hill Blvd to Carlos Bee Blvd.

On or around August 18, 2020, a Notice of Receipt of Application was mailed out to 1,089 property owners, residents, and businesses within 300 feet of the project site as well as people who asked to be notified about development on the Caltrans parcels.

Following submittal of the entitlement application, the applicant and staff held several community meetings and individual meetings with neighbors to review the proposed plans, take comments and answer questions. In the past several months, City staff and the developer have met with the surrounding neighbors on multiple occasions to provide project updates and listen to community concerns which continue to center on parking, minimizing spillover traffic and concern with change in character of the neighborhood. Most recently, City staff and the developer held a meeting on March 2nd to update the neighborhood on the 10 additional deed restricted ADUs to be included in the development consistent with the approach to

⁶ December 3, 2019 City Council Meeting. <https://hayward.legistar.com/LegislationDetail.aspx?ID=4263967&GUID=6FB459D3-BCE8-497D-8EA7-244E9DDD59DB&Options=&Search=>

⁷ December 14, ~~2021~~2021, City Council Meeting. <https://hayward.legistar.com/LegislationDetail.aspx?ID=5357660&GUID=2468E06A-331B-49A5-AC16-65EECBC1A7B5&Options=&Search=>

comply with the SLA affirmed by HCD. As detailed in the Project Description below, the project will include a combination of on-site and street parking that exceeds Municipal Code requirements, the applicant will install and fund traffic calming and multi-modal transportation improvements intended to slow down and divert traffic from neighborhoods and will install an extension and new connector at Carlos Bee Blvd and Bunker Hill Blvd with controlled access to ensure safety.

On March 10, 2022, notices of this public hearing were sent to all property owners and residents within a 300-foot radius of the project site; was posted at the Alameda County Clerk Recorder's Office; and was published in *The Daily Review*.

PROJECT DESCRIPTION

Existing Conditions. The approximately 37.75-acre development project site is comprised of ten parcels as shown in the table below:

Table 1. Property Details.

No.	APN	Owner	Address
1	445-0270-054-02	City of Hayward	25373 Bunker Hill Court
2	445-0260-084-03	City of Hayward	25564 Maitland Drive
3	445-0260-109-04	City of Hayward	25472 Bunker Hill Blvd
4	445-0260-109-03	City of Hayward	25472 Bunker Hill Blvd
5	445-0250-041-01	City of Hayward	25777 Bunker Hill Blvd
6	445-0250-059-01	City of Hayward	25832 Bunker Hill Blvd
7	445-0260-018-03	City of Hayward	25673 Maitland Drive
8	445-0260-018-04	City of Hayward	25673 Maitland Drive
9	445-0250-060-01	City of Hayward	Harder Road
10	445-0260-002-00	City of Hayward	Harder Road
11	445-0260-109-02	Deborah Frederick	25450 Bunker Hill Blvd
12	445-0270-029-00	Thomas & Bernadette Birt	25401 Bunker Hill Blvd
13	445-0260-084-02	Anthony Fidel	25588 Maitland Drive
14	445-0260-018-02	Kevin & Ruby Ng	25673 Maitland Drive

The site is steeply sloped from the northeast to the southwest and contains two riparian corridors running along the northern and southern project boundaries. The site was previously developed with 32 single family homes which were vacated and demolished in 2019. The site is currently vacant and contains trees and shrubs, except for areas dedicated for existing right-of-way and utilities. There are four individually owned lots currently developed with single family homes within the boundaries of the project site. The existing, developed properties (Property Nos. 11-14 in Table 1 above) would also be subject to the Zone Change to PD District.

The site is bounded by Cal State East Bay-owned property and Carlos Bee Blvd to the north and east, open space and Harder Road on the south and Maitland Drive/Central Boulevard and residential neighborhoods on the west.

Project Description: The proposed project requires a Zone Change from RNP (Residential Natural Preserve) District and OS (Open Space) District to PD District and approval of a Vesting Tentative Map (Tract 8637). The proposed PD District would allow for flexible

development standards to allow for clustered development in accordance with the adopted Parcel Group 5 Master Development Plan.

Of the approximately 37.75-acre site, approximately 18.51 acres would be retained as open space including untouched riparian areas on the northern and southern boundaries of the project site. The remaining 19.24 acres within the boundaries of the project site would be developed with the proposed single-family subdivision, stormwater detention areas, roadway and other site improvements.

The proposed Zone Change would provide flexible development standards by clustering development in the flattest areas of the site. Varying topography across the site makes application of one set of development standards with uniform lot sizes and setbacks such as those set forth in the RNP District difficult to impose for this site. Additionally, it would further reduce the development potential of the site due to the large lot requirements, large setbacks, and lower lot coverage requirements. The applicant is proposing to use the PD District designation to apply varying development standards and floor plans depending on the location of the home on the site (flat, uphill, downhill). A total of 10 lots are identified as flat lots - eight are located along Bunker Hill Court at the northern end of the site and two are located at the southern end of Bunker Hill Blvd (Lots 38 & 39). A total of 34 uphill lots are situated on the east side of Bunker Hill Blvd and Maitland Drive while 30 downhill lots are situated on the west side of Bunker Hill Blvd and Maitland Drive (Attachment IV, Tentative Map Sheet 6).

The proposed subdivision would include 74 single family lots ranging from 5,108 square feet to 23,402 square feet, with an average lot size of approximately 10,200 square feet resulting in an overall density of four lots per acre. The two and three-story single-family homes would range from 2,400 to 3,500 square feet in size. All of the homes would have four bedrooms and at least three bathrooms. The uphill and flat plans would have an option to add a fifth bedroom or loft. The uphill and downhill plan types would contain two car garages and the flat house types would contain a three-car garage; all driveways would accommodate at least two cars. Eighteen of the uphill homes would have one-bedroom Accessory Dwelling Units (ADUs) measuring approximately 430 square feet in size located within the footprint of the home. The ADUs would be deed restricted for low-income households as part of the Affordable Housing Plan (see additional discussion in the Affordable Housing Ordinance Section below).

The PD District would provide for variation on a lot-by-lot basis. Lot configuration, lot size, setbacks, building heights and building orientation would change depending on placement of the homes on flat, uphill or downhill slopes. The design is intended to minimize massing by building along the adjacent slope. Additionally, each of the house types (flat, uphill and downhill) would have two different floor plans while the uphill and downhill homes would have two different elevation types with two different color schemes each. Adjacent homes would have different elevations and colors schemes to add complexity from the right-of-way (Attachment VI, Architectural Plans). The house designs would be modern with flat roofs, straight lines, recessed windows, substantial glazing to allow for views from the homes, vertical and horizontal design elements including balcony railings and score lines to emphasize the clean lines of the homes, and use of natural materials such as stucco and

cement siding in white and shades of grey and brown with wood and stone elements. The variation in building standards, placement, building elevations and colors are intended to reflect the surrounding topography and create variety and complexity from the right-of-way.

The proposed project would include rezoning of four existing, occupied single-family homes located within the boundaries of the project site (see Table 1, Property Nos. 11-14). The existing homes which are surrounded by the proposed subdivision are being included in the Zone Change to PD District, at the neighbor's request, to allow the property owners to take advantage of the flexible development standards being offered to the new subdivision. Specifically, the four parcels would be permitted to subdivide into two equal sized lots (ranging from 7,800 to 12,000 sq. ft. each) with future development on those lots subject to the setbacks, lot coverage and building height in the RS District. With the four additional lots included, the average lot size would be approximately 10,180 sq. ft. which is above the minimum 10,000 sq. ft. per lot threshold established by the Parcel Group 5 Master Development Plan and permitted under the applicable General Plan designation.

Parking. Parking would be provided in garages, driveways and on street. The flat lots would have three car garages while the uphill and downhill designs would provide two car garages. All of the homes would have space for two cars in the driveway resulting in development of four to five on site parking spaces per home (Attachment V, Sheet C.2, Parking Plan).

A total of 92 on-street parking spaces would be provided on one side of Bunker Hill Blvd and one side of Maitland Drive. Parking can only be placed on one side of the street due to the narrowness of the existing streets and the desire to add a sidewalk as well as maintain adequate width for two parking lanes and fire access.

Circulation, Traffic Calming & Transportation Demand Management. Vehicular access to the subdivision from the west is from Central Boulevard and Maitland Drive to Bunker Hill Boulevard, and a new roadway connector from Bunker Hill Boulevard to Carlos Bee Boulevard on an established easement on CSUEB property at the northeast boundary of the project site. The new Bunker Hill/Carlos Bee intersection would be stop controlled and limited to right-in and right-out for vehicles. In addition, it would include a flashing beacon to facilitate safe pedestrian crossing (proposed Condition Nos. 128-129) across Carlos Bee Boulevard.

As noted above, the proposed development would include construction of sidewalks and on-street parking along Bunker Hill Boulevard and Maitland Drive in addition to pavement rehabilitation and reconstruction along all project roadways; and installation of bulb-outs and on-street parking along Central Boulevard.

In addition to roadway improvements, the project would include construction of traffic calming features on surrounding roadways including but not limited to installation of bicycle facilities, stop signs and centerline striping on surrounding, existing streets. In addition, the applicant will be required to contribute funds to the Public Works Department to install additional neighborhood traffic calming measures as needed (Condition Nos. 130-138). Further, the applicant will fulfill Transportation Demand Management requirements by

paying into a fund to construct future pedestrian and bicycle improvements (such as filling in sidewalk gaps) in and near the project vicinity (Condition No. 139).

Foothill Trail. The proposed development also includes construction of approximately 3,000 linear feet of a 16-foot-wide component of the Foothill Trail along the eastern property line. Portions of the Trail would be located on the project site and portions of the Trail would meander onto an easement located on CSUEB property to the east of the project site (Attachment IV, Tentative Map, Sheet 3). The Trail would be accessed from a proposed hillside staircase between Lots 33 and 46 and from the new Bunker Hill Boulevard connector to Carlos Bee Boulevard.

The Trail would be designed with two six-foot wide paved travel lanes with two feet of decomposed granite shoulders on both sides and two overlook areas with benches, picnic tables, lighting, and interpretive signage (Attachment VII, Landscaping Plans, Sheet L2.2). On-street Foothill Trail signage would be placed along Bunker Hill and Central boulevards.

The Trail would have a public access easement and would be owned by the Geologic Hazard Abatement District (GHAD) and maintained by the Homeowners Association (HOA) through formation of a Community Facilities District (CFD) or similar ongoing funding mechanism.

Landscaping and Tree Removals. According to the Arborist Report, 619 trees were evaluated in conjunction with the project; approximately two-thirds (416 or 67%) were found to be in poor condition, 148 (24%) were found to be in fair condition and 54 (9%) were found to be in good condition. Based on the assessment of the proposed development plan, a total of 498 trees would be removed and 121 trees would remain in place.

According to the Landscape Plan, a total of 1,070 trees would be planted along property frontages and public right-of-way in order to mitigate the loss of existing trees and in accordance with Municipal Code requirements (Attachment VII, Landscape Plan, Sheet L1.1). In addition to street trees, all front yards would be planted with a variety of large, medium and small shrubs, ornamental grasses, and ground covers (Attachment VII, Landscape Plan, Sheet L2.3)

Sustainability Features: The proposed project will comply with the City's Reach Code for new residential development.⁸ The Reach Code prohibits natural gas connections and requires installation of an EV Ready space within each garage. Further, the project will include solar on all homes, installation of energy star appliances, tankless water heaters and low flow plumbing fixtures, pre-manufactured walls for construction, recycled building materials and compliance with other Cal Green requirements.

POLICY CONTEXT AND CODE COMPLIANCE

Hayward 2040 General Plan: The proposed project site has a *Suburban Density Residential* General Plan land use designation and a small portion at the southern end of the site contains *Parks and Recreation* General Plan land use designation. The *Suburban Density Residential* land use designation allows for development of detached single family residential

⁸ Hayward Reach Code. <https://www.hayward-ca.gov/reach-code>

development generally on hillsides at a density of one to 4.3 units per acre. The General Plan notes that within this designation, “typical lot sizes generally range from 10,000 square feet to one acre. However, Planned Developments may include the clustering of units on smaller lots to preserve common open space.”

In addition to consistency with the General Plan land use designation, the proposed hillside development is consistent with the following goals and policies of the *Hayward 2040 General Plan*, including but not limited to the following:

- Policy Land Use (LU)-1.4 to encourage property owners to revitalize or redevelop abandoned, obsolete, or underutilized properties to accommodate growth.
- Policy LU-3.6 to implement residential design strategies such as creating a connected block and street network, designing new streets with sidewalks, planting strips, street trees, and pedestrian-scaled lighting and ensuring that windows are provided on facades that front streets or public spaces.
- Policy LU-3.7 to protect the pattern and character of existing neighborhoods by requiring new infill developments to have complimentary building forms and site features.
- Policy LU-3.5 to encourage infill residential developments where individual parcels within the development may be developed at higher or lower densities than allowed by the General Plan provided that the net density of the entire site is within the allowable density range.
- Land Use Goal LU-7 and numerous policies related to hillside development to preserve the rural and natural character of hillside development areas; to ensure that grading, building and landscaping design mitigates visual impacts and blends the development with natural features of the hillside; to require curvilinear streets that respect natural topography; to cluster development to preserve sensitive habitat and natural open space; and, to provide public trail improvements that link to regional open space and trails (Policy LU-7.2, LU-7.3, LU-7.5 and LU-7.6).

Zoning Ordinance & Parcel Group 5 Master Development Plan: The proposed project site is zoned RNP District and a small portion at the southern end of the site is zoned OS District consistent with the *Parks and Recreation* General Plan designation. The RNP District requires very large lots and setbacks inconsistent with the adopted Master Development Plan. Therefore, the proposed Zone Change to PD District is necessary in order to allow for a range of lot sized and flexible development standards included in the Master Plan.

Pursuant to HMC Section 10-1.2505, the purpose of the PD District is to encourage development and redevelopment through efficient and attractive space utilization that is harmonious with characteristics of the land and incorporates open space, recreational opportunities; and to foster well designed development that incorporates a variety of housing types by allowing a diversification of uses, building architectural designs, lot sizes, yard areas and open spaces that may not be achievable under applicable zoning districts.

Table 2 below provides a comparison between the proposed development standards, the adopted Master Plan standards, and the applicable RNP District standards.

Table 2. Proposed Project Comparison with Applicable Standards

Standard	Proposed Project	Parcel Group 5 Master Plan	RNP District
Lot Size	5,108 sq ft to 23,402 sq ft with average 10,255 sq ft lot	Average 10,000 sq ft lots	20,000 sq. ft.
Setbacks*		-	
Front	Flat – 8 ft to 12 ft Uphill – 10 ft to 74 ft Downhill – 1 ft to 128 ft (with minimum 4 ft easement behind r-o-w)	-	20 ft
Sides	All lots – Range of 5-5 ft minimum on one side & 10 ft minimum on the opposite side	-	30 ft combined side yards with no side yard less than 10 ft
Rear	Flat – 21 ft to 241 ft Uphill – 10 ft to 74 ft Downhill – 15 ft to 178 ft	-	20 ft
Height	Flat – 26 ft Uphill – 15 ft to 48 ft Downhill – 15 ft to 36 ft	2-3 stories	30 ft
Lot Coverage	9% to 40%	-	30%
Unit Size (avg)	3,020 sq. ft.	3,500 sq. ft.	N/A
Parking	Flats – 3 car garage + 2 car driveway Uphill & Downhill – 2 car garage + 2 car driveway	2-3 car garage + 2 car driveway	2 car garage when there is parking on one side of the street.

*Due to the varying topography, the setbacks are provided as a range with the smallest number being the minimum setback.

The benefits of the proposed development would include retention of approximately half of the project site as open space and construction of a portion of the Foothill Trail with steep staircases providing access, outlooks with picnic tables, benches, lighting and wayfinding signage. In addition to construction of the Trail, the proposed development includes ongoing maintenance of the Trail through establishment of a CFD or similar assessment on the future development.

Hayward Foothills Trail: The project site is covered by the SD-7 (Special Design Overlay) District. The purpose of the SD-7 District is to ensure the development of a continuous trail on all Caltrans 238 Bypass properties. The proposed 16-foot-wide trail with amenities described above would exceed the standards set forth in the Overlay District.

Affordable Housing: The proposed project is subject to the requirements set forth in Hayward Municipal Code (HMC) Chapter 10, Article 17, Affordable Housing Ordinance⁹. An applicant may satisfy the requirements of the ordinance by paying an affordable housing in lieu fee, including affordable units within the proposed development, or complying with additional alternatives pursuant to HMC Section 10-17.230.

On July 9, 2019, the Council approved the Parcel Group 5 Master Development Plan which included an Alternative Plan under which the Developer would comply with the AHO. Specifically, the Alternative Plan allows the developer to provide:

⁹ Affordable Housing Ordinance:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART17AFH00R

- Eighteen deed restricted ADUs for Very Low Income households in perpetuity in compliance with the SLA and Affordable Housing Ordinance; and
- Payment of 50% of the Affordable Housing In-Lieu Fee on 90% of the total habitable square footage of the project.

The proposal is consistent with the Master Development Plan and SLA, and therefore meets the requirements set forth in the Affordable Housing Ordinance.

Regional Housing Need Allocation: Local jurisdictions report progress annually on meeting their Regional Housing Needs Allocation (RHNA) goals which are included in the City’s Housing Element. The Table below demonstrates progress made toward meeting Hayward’s RHNA goals for the period between 2015-2023 as of the last report year (2020), which is shown in the column titled “Reported 2020.” The State allows local jurisdictions to “report” the units when building permits are issued to construct the units. The “Approved” and “Pending Approval” columns provide an estimate of potential compliance by counting both entitled projects and projects going through the entitlement process.

Table 3. 2023 RHNA Goal Progress in the City of Hayward

Income Category*	Unit Goal	Reported 2020		Approved		Pending Approval		Estimated Compliance		Estimated Deficiency	
		Units	% of Goal	Units	% of Goal	Units	% of Goal	Units	% of Goal	Units	% of Goal
Very low	851	65	8%	226	27%	76	9%	367	43%	484	57%
Low	480	153	32%	199	41%	2	0%	354	74%	126	26%
Moderate	608	72	12%	78	13%	40	7%	190	31%	418	69%

*The City has achieved the Above Market Rate housing goals for the 2015-2023 RHNA cycle.

The proposed project will provide 74 Above Moderate Rate income units and eighteen deed restricted very low-income units. The City has already achieved its goal in the Above Moderate Rate income units however approval of the eighteen-deed restricted ADUs will increase compliance by about three and a half percent in the Very Low-Income category.

Parkland Dedication Requirements: HMC Chapter 10, Article 16, Property Developers – Obligations for Parks and Recreation¹⁰ sets forth requirements for private development based on residential unit count. Pursuant to HMC Section 10-16.21(a), residential subdivisions that contain 50 or more dwelling units shall dedicate land, pay in-lieu fees or provide a combination of both to satisfy Park and Recreation Obligations. Prior to approval, the project shall be referred to Hayward Area Recreation Park District (HARD) for a recommendation.

Per HMC Section 10-16.20 and the current City’s Master Fee Schedule,¹¹ the developer has a total obligation of \$1,605,652 in park impact fees based on the unit type and count.

Table 4. Park Impact Fee Obligation

Unit Type*	Number of Units	Fee Per Unit	Total
4+ bedroom	74	\$21,698	\$1,605,652

*ADUs under 750 sq. ft. are not subject to Park Fees.

¹⁰Parkland Dedication Requirements:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART16PRDEBLPAR

¹¹ City of Hayward FY 2022 Master Fee Schedule: https://www.hayward-ca.gov/sites/default/files/documents/Adopted-FY22-Master-Fee-Schedule_0.pdf

Through the negotiation of the DDA for purchase of the site, the applicant is seeking a credit for their Park Fee because construction of the Hayward Foothill Trail is estimated to be \$2.35 million. The estimate includes construction of the 16-foot-wide multi-use paved trail along with grading, retaining walls, landscaping, lighting, stairs from Bunker Hill Boulevard to the steepest part of the trail and site furnishings. In addition to construction of the public trail, the applicant will establish a CFD or similar funding mechanism for ongoing maintenance of the trail through property assessments.

On November 8, 2021, the HARD Board held a study session where they considered the proposed credit and recommended approval of the project to the Council.

Vesting Tentative Map Tract 8637: The proposed project includes a Vesting Tentative Tract Map (8637). The City of Hayward has adequate capacity to provide water and sanitary sewer services to the proposed development however the applicant will be required to upgrade water and sewer lines and to install a sewer pump station to serve portions of the development, as detailed in Engineering-related conditions of approval. Access to the site would be provided through existing public streets that would be improved as part of the proposed project. Maintenance of publicly accessible trail, common site landscaping, and stormwater facilities would be funded through the Homeowners Association. However, the roadways and the sewer pump station would be publicly owned and maintained.

Strategic Roadmap: The proposed project supports the Strategic Priority of Grow the Economy. Specifically, this item relates to the implementation of the following project(s):

Project 5, Part 5a and 5b: Facilitate disposition and development of Route 238 Corridor lands; finalize planning on redevelopment of six of the remaining parcel groups; and, finalize disposition and development agreements for all parcels.

DISCUSSION

Staff believes that the Planning Commission can make the findings to recommend Council approval of the proposed Zone Change and Vesting Tentative Map. The findings and conditions to support the recommendation for approval, as conditioned, are included in Attachments II and III, to this staff report.

As described above, the proposed project includes a request for a Zone Change from RNP and OS districts to PD District to allow for a proposed development consistent with the adopted Parcel Group 5 Master Development Plan and applicable State Law. The Master Development Plan went through a robust outreach process and was reviewed and approved by the Planning Commission and Council. Trumark responded to the City's request for proposals for a development project consistent with the Master Development Plan and has stayed true to the intent of the Plan with the proposed development project. The proposed subdivision consisting of 74 lots ranging from just over 5, 100 square feet to over 23,000 square feet with an average lot size of approximately 10,200 square feet would be in substantial harmony with the surrounding area and consistent with the density permitted under the *Suburban Density Residential* General Plan land use designation. The homes would be oriented and designed to match the lot's location on flat, uphill or downhill slopes in order to minimize the

size of the home from right-of-way and to maximize the development potential on the site. Inclusion of the four single family homes and allowing for lot splits and future development on those single-family lots consistent with the RS District standards is not inconsistent with the General Plan designation and would allow for existing property owners within the boundaries of the project site to benefit from the same flexibility as the developer.

The proposed development would create an environment of sustained desirability and stability in that it would result in development of a currently vacant and underutilized site with new, high end residential development, including eighteen Accessory Dwelling Units that would be deed restricted for Very Low-Income households. The proposed PD District modifications are adequately off-set by the construction of 18 deed restricted ADUs and payment of in lieu fees to leverage other affordable housing construction, retention of half of the site as open space, construction of approximately 3,000 linear feet of the Foothill Trail including stairs, outlooks and site furniture, and inclusion of a funding mechanism for ongoing maintenance of the Trail and the undeveloped hillsides.

As described above, the streets and utilities, as conditioned, would be adequate to serve the proposed development, and the applicant would be required to install or pay a fee to install traffic calming and transportation demand management measures intended to minimize impacts to surrounding neighborhoods. Per the conditions of approval, all public improvements including the complete installation of all street improvements, fencing, sanitary sewer, storm drainage, water system, underground utilities, streetlights etc., shall be completed prior to occupancy of each phase of the subdivision.

Overall, the proposed development is consistent with the Parcel Group 5 Master Development Plan and will further implementation of Strategic Priorities to redevelop the former Caltrans 238 parcels to support economic and community development.

ENVIRONMENTAL REVIEW

On July 9, 2019, the Council reviewed and approved the Parcel Group 5 Master Development Plan and a related Addendum to the Hayward 2040 General Plan EIR (Attachment IX). The Addendum was prepared pursuant to CEQA Guidelines Section 15164 that “The lead agency or a responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary, but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.”

As part of the approval of the Master Plan, the Council found that the proposed modifications to the General Plan EIR described in the Addendum would not require major revisions to the General Plan EIR due to new or substantially increased significant environmental effects. Further, the analysis contained in the Environmental Checklist confirmed that the Master Plan development project was within the scope of the General Plan EIR, would have no new or more severe significant effects and that no new mitigation measures were required. As detailed above, the proposed Zone Change and Tentative Map application is consistent with the adopted Master Plan; therefore, no subsequent or supplemental EIR or further CEQA review is required prior to approval of the proposed project, as described in the Addendum.

On January 15, 2021, LSA and Kittelson prepared a memo evaluating the addition of four existing single-family homes to the Zone Change application to allow for subdivision of those lots into two lots each. According to the Memo (Attachment X), no new impacts nor an increase in the severity of impacts would occur as a result of the project modification. The addition of the ten ADUs is ministerial, and does not generate any increase in the severity of impacts already considered. Accordingly, no additional CEQA review is required.

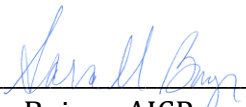
NEXT STEPS

Following the Planning Commission hearing and recommendation, the item is tentatively scheduled for Council consideration at a public hearing on April 19, 2022.

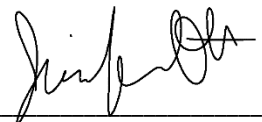
Prepared by: Leigha Schmidt, Acting Principal Planner

Recommended by: Jeremy Lochirco, Acting Planning Manager

Approved by:



Sara Buizer, AICP
Deputy Development Services Director



Jennifer Ott
Assistant City Manager/Development Services Director