



**DATE:** June 25, 2024

**TO:** Mayor and City Council

**FROM:** Development Services Director

**SUBJECT:** Work Session on Proposed Zoning Text Amendments to the Hayward Municipal Code Related to Supportive Housing Programs Associated with Implementation of the Hayward 2023-2031 Housing Element

## **RECOMMENDATION**

That the City Council provide feedback on staff's recommendations and analysis associated with the implementation of Hayward 2023-2031 Housing Element Actions related to the expansion and development of supportive housing throughout Hayward.

## **SUMMARY**

On February 7, 2023, the City Council adopted the Hayward 2023-2031 Housing Element composed of goals, policies, programs, and actions to help Hayward meet its housing needs. This project aims to fulfill several Housing Element actions to remain in compliance with state housing law and expand supportive housing options for Hayward's unhoused and other vulnerable populations. Staff has drafted a series of recommendations summarized below to satisfy the project goals.

- General Clean-Up: Streamline and clean-up the housing type definitions and requirements to make them clear, concise, and consistent.
- Single Residence Occupancy (SROs): Define and expand where SROs are permitted and develop developmental and performance standards to minimize potential nuisances associated with the housing type.
- Safe Parking: Define and allow safe parking in partnership with non-profits and develop operational and performance standards to minimize potential nuisances. Safe parking is parking sites where people experiencing homelessness can legally park and stay in their cars overnight.
- Group Homes: Expand allowances for Licensed group homes including the number of residences permitted by right.
- Shelters/Low Barrier Navigation Centers: Expand where shelters and low-barrier navigation centers are permitted in the City, in accordance with State Law; and,

develop developmental and performance standards to minimize potential nuisances associated with the housing type.

At this work session, staff is requesting specific feedback from the City Council on the following questions, which are discussed in greater detail in the Background and Staff Analysis Sections below:

- Does City Council support staff's recommendations?
- Are there any operational and/or performance standards that should be included or excluded from the housing types listed above?
- Are there any other recommendations or regulations staff should consider while preparing the draft zoning amendments?

## BACKGROUND

The State of California is in a housing and shelter crisis with more than 171,000 people experiencing homelessness daily. California is home to 12% of the nation's population, 30% of the nation's unhoused population, and half the nation's unsheltered population. The California Statewide Study of People Experiencing Homelessness<sup>1</sup>, published by the University of California San Francisco in June 2023, noted that California's unhoused population is predominately minorities and individuals over 40 and that the median length of homelessness is 22 months. Based upon the 2024 Point-In-Time (PIT) Count<sup>2</sup>, there are approximately 512 people experiencing homelessness in Hayward, which is up 30% from 2022.

The City of Hayward has adopted several Plans and Resolutions aimed at addressing this crisis, including the Hayward 2023-2031 Housing Element<sup>3</sup>. The Housing Element was adopted by the City Council on February 7, 2023<sup>4</sup>, and is composed of goals, policies, programs, and actions to help our community meet its housing needs. This project aims to fulfill the following actions to remain in compliance with state housing law and expand supportive housing options for Hayward's unhoused population. Supportive housing is housing that is occupied by the target population, and that is linked to onsite or offsite services that assist the resident in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community.

- Action 13.1: Explore innovative and alternative housing options that provide greater flexibility and affordability in the housing stock. This may include allowing shelters, transitional housing and tiny homes with wraparound services on site at churches, social services agencies/nonprofits that do this work in the community and on publicly owned land. The City will promote other types of alternative housing options including single room occupancy developments or conversions, group homes, and by-right

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<sup>1</sup> The California Statewide Study of People Experiencing Homelessness: <https://homelessness.ucsf.edu/our-impact/studies/california-statewide-study-people-experiencing-homelessness>

<sup>2</sup> January 2024 Point-In-Time Count: <https://everyonehome.org/main/continuum-of-care/point-in-time-count-2024/>

<sup>3</sup> Hayward 2023-2031 Housing Element: <https://www.hayward-ca.gov/your-government/documents/planning-documents>

<sup>4</sup> February 7, 2023 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6016046&GUID=4F497BC8-5C65-474C-8E6E-7447DA88EFEA&Options=&Search=>

permanent supportive housing. The City has the goal of completing five tiny home developments, single-room occupancy developments, supportive housing developments, emergency shelters, transitional housing development and/or conversions in the planning period

- Action 13.3: Assess and amend the HMC as needed to allow Supportive Housing as a “by-right” use where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651<sup>5</sup>.
- Action 13.4: Evaluate the permit process for group homes of seven or more persons and amend the HMC to include a set of objective standards to provide certainty to applicants through the permitting process. Evaluate the potential of allowing the use through Administrative Use Permit process or as a by-right use subject to objective standards.
- Action 13.5: Amend the HMC parking regulations for Homeless and Emergency Shelters and Navigation Centers to comply with Government Code section 65583, subdivision (a)(4)(A)<sup>6</sup>.
- Action 13.6: Amend the HMC to comply Government Code section 65662<sup>7</sup> which requires a Low Barrier Navigation center to be a use by-right in areas zoned for mixed-use and nonresidential zones permitting multifamily uses, provided specific requirements of the law are met.
- Action 13.7: Amend the HMC to allow tiny homes and emergency shelters on church and publicly owned properties.
- Action 19.11: Explore funding and feasibility options for safe parking and safe camping programs to provide additional safe, secure, and sanitary options for individuals and families experiencing homelessness.

In addition to the Housing Element, the City Council adopted the Let’s House Hayward Strategic Plan on July 13, 2021<sup>8</sup>. This plan identified goals and strategies to achieve Hayward’s vision of being a leader in ending homelessness through accessible, dignified treatment and services. Many of these goals and strategies served as the basis for actions within the Housing Element.

The City Council has also adopted the following five emergency Resolutions to support the operation and construction of supportive housing.

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<sup>5</sup> California Government Code Section 65651:

[https://leginfo.ca.gov/faces/codes\\_displaySection.xhtml?sectionNum=65651&lawCode=GOV](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65651&lawCode=GOV)

<sup>6</sup> Government Code Section 65583, Subdivision (a)(4)(A):

[https://leginfo.ca.gov/faces/codes\\_displaySection.xhtml?sectionNum=65583&lawCode=GOV](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65583&lawCode=GOV)

<sup>7</sup> California Government Code Section 65662:

[https://leginfo.ca.gov/faces/codes\\_displaySection.xhtml?sectionNum=65662&lawCode=GOV](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65662&lawCode=GOV)

<sup>8</sup> July 13, 2021 City Council Public Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=5028014&GUID=E5369F11-C504-413E-B317-E2797DF45328&Options=&Search=>

- Resolution 18-027: On October 2, 2018<sup>9</sup>, the City Council adopted a Resolution declaring a shelter crisis in Hayward to be eligible for State of California Homeless Emergency Aid Program (HEAP) funds.
- Resolution 19-04: On January 22, 2019<sup>10</sup>, the City Council adopted a Resolution declaring a shelter crisis in Hayward and authorizing the City Manager to take emergency actions to implement a navigation center on city-owned property.
- Resolution 21-026: On February 23, 2021<sup>11</sup>, the City Council adopted a Resolution declaring a shelter crisis in Hayward and authorizing the City Manager to take emergency actions to allow for the construction of a 30-bed transitional age youth shelter.
- Resolution 23-028: On February 7, 2023<sup>12</sup>, the City Council adopted a Resolution to temporarily suspend applicable local planning and zoning requirements for homeless shelters.
- Resolution 24-025: On January 30, 2024<sup>13</sup>, the City Council adopted a Resolution declaring a state of emergency on homelessness and temporarily suspend applicable local planning and zoning requirements to enable flexible responses to the homelessness crisis.

Many of these Resolutions include the temporary suspension of local planning and zoning regulations as they represent barriers to meaningfully and creatively serving our unhoused population. Currently, the Hayward Municipal Code (HMC) allows a variety of housing options in the residential, commercial, and mixed-use zoning districts. These options include single-family dwellings, multi-family dwellings, group homes, boarding homes, dormitories, convalescent homes, mobile homes, live-work units, homeless shelters, and single-room occupancies (SROs). Depending on the zoning district, these housing types may be either permitted by right, require approval of an Administrative Use Permit (AUP), require approval of a Conditional Use Permit (CUP) or are not allowed. A summary chart of all the applicable zoning district and their allowable housing types can be found in Attachment II.

Currently, the HMC only allows a few specific types of supportive housing uses (i.e. group homes, convalescent homes, SROs and homeless shelters) in select areas, and those uses are not clearly defined. Furthermore, the Code has no operational or performance standards (i.e. number of residents, security measures, on-site management, length of stay, etc.) for these uses. This project aims to amend our regulations to allow and promote the development of a wider variety of supportive housing in alignment with best practices in the field and the Housing Element actions above.

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<sup>9</sup> October 2, 2018 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=3690554&GUID=A8DF0FBF-2F19-4648-8632-2BFE62A97107&Options=&Search=>

<sup>10</sup> January 22, 2019 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=3838800&GUID=89EC3945-8050-428A-881C-6180A91CBA9A&Options=&Search=>

<sup>11</sup> February 23, 2021 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=4803667&GUID=7C811874-F8C6-4590-9385-736AD8D65638&Options=&Search=>

<sup>12</sup> February 7, 2023 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6016044&GUID=969B2045-A073-4043-90BB-1659E2882811&Options=&Search=>

<sup>13</sup> January 30, 2024 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6497824&GUID=27C372BA-05E2-4727-B184-0EB72948365B&Options=&Search=>

## **PUBLIC CONTACT**

The outreach for this project builds upon outreach and feedback efforts associated with the Hayward 2023-2031 Housing Element. A detailed description of those efforts can be found in the City Council adoption hearing staff report<sup>14</sup>.

In May 2024, staff held five stakeholder meetings to gather input from local service providers, affordable housing developers, educational facilities and faith-based organizations in order to understand best practices and recommendations in the field of supportive housing. A total of 74 organizations were invited to attend; and ten organizations participated in these meetings. Further, staff from the City of Hayward Community Services, Housing, Maintenance Services, Fire, Police, Building, Water Pollution Source Control and Utilities departments also provided input at a series of internal meetings.

Key feedback from the external and internal meetings is summarized below:

- The regulations should allow a wide range of types of supportive and transitional housing to serve a variety of different populations (i.e. families, seniors, people with severe mental illness, people who are experiencing short term homelessness due to economic hardship, people who are recovering from illness, addiction or disability, among others).
- The greatest stated housing need based on feedback from the unhoused population are small independent living spaces with limited or no shared facilities.
- Congregate housing (i.e. group homes) is not ideal for all populations but serves as a good interim solution for many who cannot live independently provided that there is adequate personal/private space and management.
- Licensed group homes have a rigorous and thorough permitting process with the California Department of Social Services. Any modification of regulations should consider expanding and avoid creating additional barriers for these facilities.
- Supportive housing should provide wrap-around services, 24-hour staff close by or on-site, laundry facilities, showers, cooking facilities, internet and locked storage.
- Supportive housing should be located close to public facilities, grocery stores, medical services, and transit.
- Shelters and Low Barrier Navigation Centers should specifically be located near existing encampments.
- The City should offering trainings for service providers about the development process.

## **DISCUSSION**

Based upon the feedback received during the internal and external stakeholder meetings, staff developed the following recommendations for zoning amendments related to expanding supportive housing. The overall goal of these recommendations is to create a spectrum of

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<sup>14</sup> February 7, 2023 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6016046&GUID=4F497BC8-5C65-474C-8E6E-7447DA88EFEA&Options=&Search=>

housing to serve different populations with different needs. The zoning amendments recommendations would include changes to the Zoning Ordinance<sup>15</sup>, Off-Street Parking Regulations<sup>16</sup>, Mission Boulevard Code<sup>17</sup> and Downtown Development Code<sup>18</sup>.

General Clean-Up of Allowable Housing Uses and Definitions: Currently, the HMC is missing definitions for some housing types and has duplicative definitions for others. The following recommendations aim to clean-up the housing regulations to make them clear, concise, and consistent.

- Add and clarify definitions for all the housing types.
- Combine all student housing types (i.e. Dormitory, Boarding Home, Fraternity/Sorority) into one land use category and potentially allow those uses in additional zoning districts near Cal State East Bay and Chabot College.
- Combine all live/work uses (i.e. live/work, artist's loft) into one use and potentially allow in additional commercial districts.
- Clarify that all permanent housing types can be senior housing and eliminate senior housing use from Downtown Development Code.
- Clarify in the definitions that multi-family housing can be tiny homes in accordance with minimum square footages allowed per Building Code.
- Ensure all housing types are consistent with the housing types within the Off-Street Parking Regulations.
- Amend the City's existing Off-Street Parking Regulations to be compliant with state law, as needed.

Define and Allow Single Residence Occupancy (SROs): Stakeholder outreach found a great need for supportive housing with independent living spaces and limited or no shared facilities. SROs are small units, typically 150 to 400 square feet, for a single individual with independent and shared facilities. The following recommendations focus on allowing SROs with specific requirements and a Use Permit to minimize potential nuisances.

- Allow SROs in some commercial and high-density residential zoning districts with approval of an Administrative Use Permit.
- Draft development standards (i.e. unit size, common space, share versus independent facilities, locked storage) to ensure consistency for SROs.
- Require a management plan that addresses management and operation of the facility, rental procedures, safety and security of the residents and building maintenance to minimize potential nuisance.

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<sup>15</sup> HMC Section 10-1, Zoning Ordinance:

[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART1ZOOOR](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOOR)

<sup>16</sup> HMC Section 10-2, Off-Street Parking Regulations:

[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART2OREPARE](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART2OREPARE)

<sup>17</sup> HMC Section 10-24, Mission Boulevard Code:

[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART24MIBOCO](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART24MIBOCO)

<sup>18</sup> HMC Section 10-28, Downtown Development Code:

[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART28DECO](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART28DECO)

Allowing for Safe Parking: Safe parking provides parking sites where people experiencing homelessness can legally park and stay in their cars overnight. Currently, the HMC does not allow safe parking in any zoning districts, but the outreach efforts indicated a need for low-barrier independent housing options like safe parking. The following recommendations aim to allow safe parking in partnership with non-profit and community organizations, subject to operational and performance requirements.

- Allow safe parking use on properties owned by non-profit organizations (i.e. faith-based organization, community-based organization) in certain zoning districts with approval of an Administrative Use Permit.
- Require sites that host safe parking have permanent bathroom, kitchen and laundry facilities open to the safe park residents.
- Draft performance standards for safe parking (i.e. hours, maintenance, require vehicles be operable).

Modifying and Expanding Regulations for Group Homes: Group homes are congregant living environments for individuals seeking permanent housing or in need of additional care and supervision. The HMC allows group homes in all residential zoning districts for six or fewer individuals in accordance with state law requirements, but updated regulations aim to expand allowance for licensed group homes while maintaining the six or fewer limit for unlicensed group homes. Licensed group homes are already subject to a lengthy and rigorous permitting process through the State, negating the need for a Use Permit in certain cases.

- Clearly define Licensed and Unlicensed group homes.
- Increase the number of residents permitted by right for licensed group homes.
- Allow additional residents for unlicensed group homes based on bedroom count and with an Administrative Use Permit rather than a Conditional Use Permit.

Modifying and Expanding Regulations for Shelters/Low Barrier Navigation Centers: The HMC only allows shelters and navigation centers within the industrially zoned districts on city-owned land, in certain zoning districts along Mission Boulevard, and in the General Commercial zoning district with a Conditional Use Permit. The following recommendations aim to expand where shelters are allowed subject to specific development and performance standards to more effectively serve our unhoused population. This approach is consistent with State Law requirements to remove barriers for emergency shelters in as many zoning districts as possible.

- Allow shelters and low barrier navigation centers in additional commercial and mixed-use districts near existing encampments.
- Draft development and performance standards for shelters and low barrier navigation centers (i.e. number of beds, parking, waiting/intake areas, onsite management, proximity to other shelters, length of stay, lighting, security measures, locked storage).

As noted earlier in this report, staff is requesting specific feedback from the City Council on the following questions related to the recommendations above:



- Does City Council support staff's recommendations?
- Are there any operational and/or performance standards that should be included or excluded from the housing types listed above?
- Are there any other recommendations or regulations staff should consider while preparing the draft zoning amendments?

## **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priority of Preserve, Protect and Produce Housing for All. Specifically, this item relates to the implementation of the following projects:

Project H4: Continue to explore safe parking options along with encampment management

Project H10: Amend the Municipal Code to address Housing Element Actions related to housing for a variety of income levels and housing types

## **ECONOMIC IMPACT**

This project aims to promote the development of supportive and transitional housing for individuals and families experiencing homelessness. This project will have a positive economic impact by helping lower the unsheltered population and reducing the economic strain on emergency and maintenance services.

## **FISCAL IMPACT**

This project was anticipated in the Planning Division and Community Services Division work plans therefore, there will be no additional unanticipated impact to the City's General Fund.

## **NEXT STEPS**

Following the City Council work session, staff will be taking this item to the Planning Commission for feedback at a work session on June 27, 2024. Using the feedback received from decision makers and the community at all the project public meetings and outreach events to date, staff will draft zoning amendments will be brought forth in late Summer or early Fall 2024 with the goal of adopting final standards in December in accordance with the timeframes set forth in the certified Housing Element.

*Prepared by:* Taylor Richard, Associate Planner

*Recommended by:* Sara Buizer, AICP, Development Services Director



Approved by:

A handwritten signature in blue ink, appearing to be 'JC' with a stylized flourish.

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Dustin Claussen, Acting City Manager