



## **SUBJECT**

Application to Amend Chapter 10, Article 1 (Zoning Ordinance) and Article 2 (Off-Street Parking Regulations) related to the creation of new Industrial District Regulations within the Hayward Municipal Code and the Adoption of Industrial District Design Guidelines.

## **RECOMMENDATION**

That the Planning Commission recommends that the City Council approve the proposed Zoning Map and Text Amendments to Chapter 10, Planning, Zoning and Subdivision, of the Hayward Municipal Code Related to the City's Industrial District Regulations, including the Adoption of new Industrial District Design Guidelines.

## **SUMMARY**

This is a public hearing on the Industrial District Regulations Update involving Zoning Map and Text Amendments (Amendments) to the Hayward Municipal Code (HMC). The proposed Amendments would impact all land with *Industrial Corridor* and *Mixed Industrial* General Plan land use designations, and all properties that are zoned I (Industrial) District.

The proposed Amendments include development of industrial sub-districts with more appropriate land uses and the creation of development standards which are tailored to each sub-districts' purpose, including the establishment of development, design and performance standards for all industrial development. The Amendments would bring the City's Industrial District Zoning regulations into conformance with Industrial-related General Plan Goals and Policies to promote well-designed, amenity-rich industrial development for employees and visitors to the area; address and minimize compatibility issues between industrial and adjacent sensitive uses; and encourage establishment and expansion of advanced manufacturing and high employee generating uses and discourage low-employment intensity, high-impact uses.

## **BACKGROUND**

The industrial areas of Hayward encompass approximately 3,200 acres that are primarily located at the western edge of the City and scattered sites along Jackson Street and along Southern Pacific railroad right-of-way that runs in an east-west direction through the City. Approximately 80% of land with an Industrial General Plan land use designation is located within the Industrial District with the remaining 20% of the land area split among Planned

Development District, Air Terminal Districts, Business Park District and Light Manufacturing District<sup>1</sup>.

According to City records, the Industrial District regulations have not been significantly updated since the early 1990s. This “one size fits all” approach to industrial development, established nearly 30 years ago, treats nearly all industrial land in the same way, subject to the same use regulations and development standards regardless of location, context and surrounding uses.

The Hayward 2040 General Plan<sup>2</sup> recognizes the *Industrial Technology and Innovation Corridor (Industrial Corridor)* and the *Mixed Industrial* General Plan land use designations as important economic assets that must be protected and enhanced. Adopted in 2014, the General Plan contains goals and policies to support land use changes that will help Hayward expand from a primarily warehousing and manufacturing-based economy to an information, technology and advanced manufacturing-based economy. The General Plan also includes Implementation Program Land Use (LU-11), which recommends updates to the industrial regulations sometime between 2017-2019, to achieve Industrial-related General Plan goals and policies.

The Economic Development Strategic Plan 2014-2018<sup>3</sup> (EDSP) also contains goals related to the Industrial District. These include but are not limited to IS4.A, to ensure that current zoning allows for desired uses; and IS4.D, to develop preferential zoning areas that support the desired business types, which include advanced manufacturing and research and technology-based uses.

In 2015, the Economic Development Division prepared an Industrial Technology and Innovation Corridor Baseline Profile<sup>4</sup> to provide a snapshot of industrial businesses located in Hayward; to create a database of major employers and trends; to identify locations of industry clusters; and to determine the most effective and efficient way to implement General Plan and EDSP goals and policies outlined above. Key recommendations from the Baseline Profile included exploring land use and zoning policies to attract advanced industries; to encourage development and redevelopment of flexible industrial spaces; to develop infrastructure and amenities to attract advanced industries; and, to foster partnerships to grow certain industry sectors.

On April 11, 2017, the City Council adopted Resolution No. 17-037, authorizing the City Manager to execute an agreement with RRM Design Group to prepare a comprehensive update to the City’s Industrial Zoning District regulations<sup>5</sup>.

---

<sup>1</sup> City of Hayward GIS Webmap: <http://webmap.hayward-ca.gov/>

<sup>2</sup> General Plan Goal 6, Industrial Technology and Innovation Corridor: <https://www.hayward2040generalplan.com/goal/LU6>

<sup>3</sup> Economic Development Strategic Plan: [https://www.hayward-ca.gov/sites/default/files/documents/Economic\\_Development\\_Strategic\\_Plan.pdf](https://www.hayward-ca.gov/sites/default/files/documents/Economic_Development_Strategic_Plan.pdf)

<sup>4</sup> Economic Development Baseline Profile: <https://www.hayward-ca.gov/sites/default/files/Industrial%20CorridorBaseline%20Industrial%20Profile.pdf>

<sup>5</sup> April 11, 2017 City Council Meeting Materials: <https://hayward.legistar.com/LegislationDetail.aspx?ID=3015793&GUID=264231A4-D534-40D4-9A4F-963F450F81CC>

In the summer of 2017, RRM held meetings with City staff and stake holder interviews with industrial brokers, property and business owners, other jurisdictions and subject matter experts involved in industrial development. Following this outreach, RRM developed the Industrial District Regulations Update - Research and Recommendations Report<sup>6</sup>. Appendix A to the Report contains a Stakeholder Interview Summary, and Appendix B to the Report contains a Business Survey Report. The Appendices detail specific comments heard during the outreach effort.

In December 2017, the findings and recommendations contained in the Research and Recommendations Report were presented to the Council Economic Development Committee (CEDC). In January 2018, the same materials were presented to the Chamber of Commerce Board of Directors, and at a community meeting which was attended by approximately 60 members of the industrial and surrounding community. Materials from those meetings can be found on the project website<sup>7</sup>.

On October 11, 2018, the Planning Commission<sup>8</sup> held a Work Session on Draft Regulations and provided comments related to formation of an Assessment or Improvement District to improve connectivity throughout the industrial areas; to provide for flexibility in various service and retail uses such as restaurants, food trucks, and schools; and to include stronger building-related design guidelines. Please see further discussion about Improvement and Assessment District formation in the Staff Analysis section below.

On October 11, 2018, Planning staff presented the Draft Regulations to the Hayward Area Shoreline Planning Agency (HASPA), who recommended that all circulation planning be coordinated with master planning efforts for parks and the shoreline; that special design emphasis be placed on shoreline building elevations; and that the City explore formation of a Geologic Hazard Abatement District (GHAD) to mitigate future impacts of sea level rise. Please see further discussion about GHAD formation in the Staff Analysis section below.

On December 7, 2018, Planning staff presented the Draft Map and Zoning Text Amendments to Chamber of Commerce Government Relations Committee (GRC), who recommended that staff clarify employee amenity requirements; provide hardship waivers to property owners who cannot comply with the new development and design standards; allow childcare facilities and schools in the area to support working parents; limit expansion of big-box retail into industrial areas; and, allow for taller and more intense office development along State Route 92.

On December 18, 2018, the City Council<sup>9</sup> held a Work Session on the Draft Zoning Map and Text Amendments and generally expressed support for the proposed amendments. The City Council generally favored the comments and recommendations made by the Planning

---

<sup>6</sup> Industrial District Regulations Update Research and Recommendations Report: [https://www.hayward-ca.gov/sites/default/files/Research%20and%20Recomentations%20Report\\_final.pdf](https://www.hayward-ca.gov/sites/default/files/Research%20and%20Recomentations%20Report_final.pdf)

<sup>7</sup> Project Website: <https://www.hayward-ca.gov/content/industrial-district-regulations-update>

<sup>8</sup> October 11, 2018 Planning Commission Work Session: <https://hayward.legistar.com/LegislationDetail.aspx?ID=3693911&GUID=E20E9518-8F71-480A-B34B-17F6FF46E415&Options=&Search=>

<sup>9</sup> December 18, 2018 City Council Work Session: <https://hayward.legistar.com/LegislationDetail.aspx?ID=3693911&GUID=E20E9518-8F71-480A-B34B-17F6FF46E415&Options=&Search=>

Commission, HASPA, and the Chamber Board. The Council further recommended more flexibility for renewable energy uses; that staff review definitions of passenger terminal stations vs. railroad yard to ensure that uses supporting multi-modal transportation be permitted; that kennels be subject to Conditional Use Permit approval in the IL (Light-Industrial) sub-district; that staff explore allowance for higher Floor Area Ratios for office buildings in the Industrial Park sub-district; that bicycle parking standards be added to the section; and, to consider being less permissive for warehouses under 150,000 square feet in size.

On April 12, 2019, notice of this public hearing was mailed out to approximately 13,768 property owners and occupants with an Industrial Corridor and Mixed Industrial General Plan land use designation and interested parties who requested to be notified about the project, and was published in The Daily Review.

## PROJECT DESCRIPTION

The proposed project would include amendments to the Zoning Map and various sections of the Hayward Municipal Code (HMC), as briefly outlined below. NEW Sections contain entirely new text while REVISED Sections provide updates to existing HMC regulations with new text indicated with underlined font and old text proposed to be deleted in ~~strikethrough~~ font.

- REVISED Zoning Map (Attachment II). The updated Zoning Map would subdivide the existing industrial areas (Industrial District, Light Manufacturing District and Business Park District) into three subdistricts (Limited Industrial, Industrial Park and General Industrial) to accommodate differences in character and context and to allow establishment of sub-district purposes, uses and development standards. Generally, 11% of the industrial area would be IL (Limited Industrial) District; 46% would be IP (Industrial Park) District; and 30% would be IG (General Industrial) District. Areas zoned Air Terminal (AT) District and PD (Planned Development) District (total of 54 parcels) would retain their current zoning.
- NEW HMC Section 10-1.1600, Industrial District (Attachment III). This attachment contains the most substantive modifications to the industrial areas within the City and would replace the existing HMC Section 10-1.1600, Industrial District<sup>10</sup>; HMC Section 10-1.1700 Business Park District<sup>11</sup>; and HMC Section 10-1.1800, Light Manufacturing District<sup>12</sup>. The text within this Attachment would comprise a new HMC Section 10-1.1600. Structured like other zoning district regulations within the HMC, this new section contains purpose, uses, development, supplemental, and performance

---

<sup>10</sup> Current HMC Section 10-1.1600, Industrial District:

[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART1ZOOOR\\_S10-1.1600INDII](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOOR_S10-1.1600INDII)

<sup>11</sup> Current HMC Section 10-1.1700, Business Park District:

[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART1ZOOOR\\_S10-1.1700BUPADIBP](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOOR_S10-1.1700BUPADIBP)

<sup>12</sup> Current HMC Section 10-1.1800, Light Manufacturing, Planning/Research and Development District:

[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART1ZOOOR\\_S10-1.1800LIMAPLREDEDILM](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOOR_S10-1.1800LIMAPLREDEDILM)

standards for the Industrial sub-districts. All modifications to this section as a result of comments heard during Planning Commission and City Council Work Sessions are shown in track changes. Generally, changes were related to uses; an allowance for an increased Floor Area Ratio (FAR) for office uses in the IP District provided that development within the Industrial District as a whole does not exceed a district-wide average of 0.8 FAR; outdoor storage provisions were clarified and tiered according to sub-district; among other minor changes. Please see Staff Analysis for further discussion of various recommendations not included in this section.

- NEW Industrial District Design Guidelines (Attachment IV). The Industrial Design Guidelines would provide clear visual and written guidance to developers on site planning, architecture, landscaping, utilitarian equipment, among other areas. The Guidelines would be adopted by Resolution and replace the existing City of Hayward Design Guidelines<sup>13</sup> sections related to industrial development. Following the Work Sessions, this Attachment was modified to require that dock doors and bays facing the shoreline be hidden or minimized in the Shoreline Development section; and, to add minimum building plane off-sets occurring at minimum intervals in the Building Design, Massing and Articulation section.
- REVISED HMC Section 10-1.3500, Definitions (Attachment V). This section contains definitions for uses and other terms utilized throughout the HMC. To the greatest extent possible, industrial uses and definitions were updated for internal consistency with the revised HMC Section 10-1.1600, as well as other districts within the HMC. Minor modifications were made to this Section since the Planning Commission and City Council Work Sessions to ensure consistency with the updated Section 10-1.1600.
- REVISED HMC Section 10-1.2735(j), Small Recycling Collection Facilities (Attachment VI). This sub-section of HMC Section 10-1.2700, General Regulations, contains specific standards and requirements for small recycling facilities that do not exceed 500 square feet. The proposed updates would simplify definitions related to recycling collection facilities and eliminate unnecessary text related to unattended collection boxes.
- REVISED HMC Section 10-1.1900, Air Terminal Districts (Attachment VII). Updates to this section include updated industrial uses and definitions for internal consistency in the HMC.
- REVISED HMC Section 10-2.350, Wholesale, Manufacturing, Storage, Transportation and Similar Uses (Attachment VIII). This section contains modifications to the industrial uses listed in the Off-Street Parking Regulations. This Article is also updated to include a new Section 10-2.408 related to credits for Carsharing Programs.
- NEW HMC Section 10-1.3075, Major Site Plan Review (Attachment IX). Pursuant to updated HMC Section 10-1.1605(B), Major Site Plan Review would be required for

---

<sup>13</sup> City of Hayward Design Guidelines: <https://www.hayward-ca.gov/sites/default/files/COH%20Design%20Guidlines.pdf>

Industrially-zoned sites of 10 or more acres. Major Site Plan Review is a new entitlement type and follows the structure of other entitlements including purpose, application and submittal requirements, findings, appeals, among others. The Major Site Plan Review process deviates from standard Site Plan Review in that it would require Planning Commission approval of large-scale developments.

- NEW HMC Section 10-1.2735(m), Food Vendor Permit (Attachment X). The Food Vendor Permit is currently embedded within the existing Industrial District regulations (HMC Section 10-1.1645(k)). This Section would be removed from the Industrial District regulations, and placed in HMC Section 10-1.2700, General Regulations, which contains standards and requirements for uses throughout the City. This modification would allow the HMC to be easily modified in the future to allow Food Vendors outside of Industrial sub-districts. Following the Work Sessions, this Section was modified to allow for more than one food vendor to occupy a property subject to approval of a Food Vendor Permit.

## **POLICY CONTEXT AND CODE COMPLIANCE**

Pursuant to HMC Section 10-1.3425(a), the Planning Commission shall hold a public hearing on all map and text amendments. The Planning Commission may recommend approval of or deny a text amendment, reclassification, or pre-zoning to the City Council. Recommendations for approval shall be based upon all the following findings:

**1. Substantial proof exists that the proposed change will promote the public health, safety, convenience, and general welfare of the residents of Hayward;**

The proposed Zoning Map and Text Amendments will promote public health, safety, convenience and general welfare of the residents and workers in Hayward in that the updated regulations will promote well-designed, amenity-rich industrial development and redevelopment to benefit employees and visitors to the industrial area; address and minimize compatibility issues between industrial and adjacent sensitive uses through the creation of sub-districts with specific purposes, uses, development and performance standards; and, encourage the establishment of and expansion of advanced manufacturing and high employee generating uses while discouraging low-employment intensity, high-impact uses. Overall, the proposed Amendments, in addition to the proposed design guidelines, would protect and enhance the industrial areas by providing clear expectations for future development within each of the industrial sub-districts.

**2. The proposed change is in conformance with all applicable, officially adopted policies and plans;**

The proposed Zoning Map and Text Amendments are consistent with the goals and policies set forth in the *Hayward 2040 General Plan* in that the updated regulations are designed to protect and enhance the Industrial land use designations; expand Hayward's economic and employment base; and support a transition from a

warehousing, logistical and manufacturing-based economy to an information, technology and advanced manufacturing based economy. The proposed regulations would continue to allow warehousing, transportation and logistics uses which are essential to the Hayward industrial economy; however, they would prioritize and incentivize advanced manufacturing uses, and development of flexible industrial buildings that could transition from warehousing to other advanced manufacturing, research and development and similar uses.

The proposed Zoning Map Amendments would establish sub-districts to differentiate industrial areas based on context and character. Text Amendments include the development of a new Hayward Municipal Code Section 10-1.1600, Industrial Districts, as well amendments to various Sections of the Hayward Municipal to ensure internal consistency. The proposed Amendments are consistent with the following goals and policies set forth in the *Hayward 2040 General Plan*:

Goal LU-6:

Enhance the Industrial Technology and Innovation Corridor to expand the economic and employment base of Hayward and to achieve a healthy balance between a manufacturing-based economy and an information- and technology-based economy.

Policy LU-6.1: Land Uses.

The City shall encourage employee-intensive uses, such as professional office, corporate campuses, research and development, traditional and specialized manufacturing, throughout the Industrial Technology and Innovation Corridor.

Policy LU-6.2: Industrial and Warehouse Conversions.

The City shall encourage the conversion of obsolete industrial and warehouse distribution space to a productive use, such as advanced manufacturing, professional office centers, corporate campuses, research and development parks, and flex space.

Policy LU-6.4: Incidental Commercial Uses.

The City shall encourage incidental commercial uses that support employees and businesses within the Industrial Technology and Innovation Corridor, such as restaurants, business services, business hotels, gas stations, and similar uses.

Policy LU-6.5: Incompatible Uses.

The City shall protect the Industrial Technology and Innovation Corridor from the encroachment of uses that would impair industrial operations or create future land use conflicts.

Policy LU-6.6: Property Upgrades.

The City shall encourage property owners to upgrade existing buildings, site facilities, and landscaped areas to improve the economic viability of properties and to enhance the visual character of the Industrial Technology and Innovation Corridor.

Policy LU-6.7: Design Strategies.

The City shall encourage developments within the Industrial Technology and Innovation Corridor to incorporate the following design strategies:

- Provide attractive on-site landscaping and shade trees along street frontages and within employee and visitor parking lots.
- Screen areas used for outdoor storage, processing, shipping and receiving, and other industrial operations with a combination of landscaping and decorative fences or walls.
- Encourage consistent architectural facade treatments on all sides of buildings.
- Screen roof-top equipment with roof parapets.
- Design shipping and receiving areas and driveways to accommodate the turning movements of large trucks.
- Develop coordinated and well-designed signage for tenant identification and way-finding.
- Incorporate attractive building and site lighting to prevent dark pockets on the site.
- Provide pedestrian walkways to connect building entrances to sidewalks.
- Use landscaped buffers with trees and attractive sound walls to screen adjacent residential areas and other sensitive uses.

Policy ED-1.5: Knowledge- and Innovation-Based Industry Clusters.

The City shall encourage the establishment and expansion of knowledge- and innovation-based industry clusters to increase the number of professional, scientific, and technical service jobs within the local economy, and to attract venture capital funding to Hayward.

**3. Streets and public facilities existing or proposed are adequate to serve all uses permitted when the property is reclassified; and**

The proposed Zoning Map and Text Amendments would refine the existing industrially-zoned land to create sub-districts with specific land use allowances and related development, design and performance standards that would apply to future development and redevelopment of industrial properties. The proposed uses are generally consistent with land uses envisioned in the Hayward 2040 General Plan Update and analyzed in the related Program Environmental Impact Report. While the Industrial District is generally built out and has adequate streets and public facilities to serve the area, each new project would be evaluated on a case-by-case for environmental impacts and would be required to install or upgrade utilities, upgrade roadways or install frontage improvements as standard conditions of approval to ensure that the future development or land use is adequately served.

**4. All uses permitted when property is reclassified will be compatible with present and potential future uses, and, further, a beneficial effect will be achieved which is not obtainable under existing regulations.**



The proposed Zoning Map and Text Amendments include the development of sub-districts with distinct purpose statements, allowable uses and development standards to ensure that future industrial uses are compatible with surrounding present and potential future users. The proposed Amendments include the creation of a Light Industrial land use category to buffer higher impact industrial uses from adjacent residential and commercial uses; an Industrial Park sub-district to support large-scale, campus like development to house research and development and other advanced manufacturing and technology uses, and a General Industrial sub-district where higher intensity industrial uses would be permitted or conditionally permitted according to specific performance standards intended to minimize nuisances. The Amendments and new design guidelines would achieve a beneficial effect by promoting well-designed, amenity-rich development for employees and visitors to the industrial area; addressing and minimizing compatibility issues between industrial and adjacent sensitive uses; and encouraging establishment and expansion of advanced manufacturing and high employee generating uses while discouraging low-employment intensity, high-impact uses. Overall, the proposed Amendments would protect and enhance the industrial areas by providing coherent site-specific standards and expectations for future development within the area.

## **STAFF ANALYSIS**

The industrial areas of the City of Hayward encompass approximately 3,200 acres. Approximately 80% of that land is zoned Industrial District with a single purpose and undifferentiated uses and development standards regardless of the current uses or adjacent land use district. The current Industrial District regulations were adopted in 1993, and do not reflect changes in the General Plan which was adopted in 2014, nor do they recognize current advanced technology uses, prioritize desired uses or allow supportive commercial and service uses, which are a major factor when companies consider workplace location.

The vacancy rate for the industrial area is hovering around 3.7%, and industrial rents average about \$11.47 per square foot per year, which is a historic high for Hayward. This is despite the fact that the average age of development within the Industrial District is about 40 years old (average building effective year is 1979), where the majority of industrial sites and buildings are low-intensity, concrete tilt-up construction with little to no building articulation and minimal site improvements, landscaping or frontage improvements. The very low vacancy rate and high rents suggest that the area is poised to transform and redevelop to accommodate the pressure and demand for space throughout the Bay Area, so it is essential the City have appropriate regulations in place to encourage high quality development.

The proposed Amendments are consistent with General Plan goals and policies and would realize Implementation Program LU-11 to update Zoning Regulations to reflect those goals and policies. Specifically, the proposed Amendments would create sub-districts with distinct purposes, use categories and development standards to ensure that sensitive uses adjacent to industrial uses are protected and to ensure that industrial development can thrive and expand in appropriate areas. The proposed regulations are designed to strengthen the City economic and employment base by encouraging advanced manufacturing and other uses that provide

high quality employment opportunities for people at all education levels while discouraging space intensive warehousing uses that provide minimal, lower paying jobs. Although warehousing and logistics is not prioritized in the proposed regulations, it is important to note that such uses are essential to the Hayward industrial economy due to its proximity to the I-880 corridor and the Oakland Airport and Port. Additionally, with the changing nature of retail and growth of e-commerce, demand for distribution facilities in close proximity to urban areas is expected to grow. Therefore, the proposed regulations provide a balanced mix of employee-intensive, high-amenity, productive uses with warehousing and distribution uses by allowing warehousing and distribution activities according to size. Average warehousing operations are generally characterized as those with 50,000 to 150,000 square feet which would be permitted in all industrial sub-districts subject to Site Plan Review. Whereas facilities over 150,000 square feet, which are considered large, would be subject to Conditional Use Permit approval within the IP and IG sub-districts. While not prohibited, the large warehouses would be required to minimize nuisances related to ongoing operations.

During the Draft review stage, the Planning Commission recommended that staff explore the formation of an Assessment District for transportation-related improvements, and HASPA recommend that staff explore the formation of a Geological Hazard Abatement District to address impacts related to sea-level rise. Such Districts are subject to particular formation requirements as detailed below:

Assessment Districts. State law and the Hayward Municipal Code govern the formation of Assessment Districts. Generally, the process would involve preparation of an engineer's estimate, Council approval of boundary maps for the assessment district, Notice, Protest and Hearing requirements. In the absence of a majority protest, Council would adopt a resolution establishing the assessment district and levying the assessment.

Geological Hazard Abatement District. GHADs are formed when a minimum of 10% of landowners petition to be included within a GHAD, and if owners of more than 50% of the assessed valuation of the proposed GHAD do not object to its formation. It is important to note that GHADs are intended to manage, operate, and maintain improvements – not to construct them. To achieve construction of improvements intended to mitigate sea level rise, a Local Improvement or other Assessment District would be formed.

Both the Assessment District and GHAD processes involve development of engineer's estimates and require affirmative votes by a majority of land owners affected, which do not directly impact Zoning Map and Text Amendments. Therefore, staff recommends that they be considered separately from the proposed Amendments, if the Commission or Council determine that they would like to see such Districts formed.

## **ENVIRONMENTAL REVIEW**

On July 1, 2014, the City Council adopted Resolution No. 14-108, approving the Hayward 2040 General Plan Update and related Program Environmental Impact Report (EIR).

In accordance with Section 15164 of the California Environmental Quality Act (CEQA) Guidelines, a lead 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. Under Section 15162, a subsequent EIR need not be prepared unless the lead agency determines one or more of the following:

1. Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of any new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the EIR was certified, shows any of the following:
  - a. The project will have one or more significant effects not discussed in the previous EIR;
  - b. Significant effects previously examined will be substantially more severe than shown in the previous EIR;
  - c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
  - d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

The proposed regulations would likely result in beneficial impacts such as reduced noise, dust, glare, odors, increased landscape areas that could reduce stormwater and flooding impacts, reduce air quality impacts, and standards for hazardous materials that could prevent accidents and contamination.

One modification to the proposed zoning standards would increase the allowable Floor Area Ratio (FAR) above the 0.8 FAR limit set forth in the General Plan. Specifically, a higher FAR would be permitted on IP (Industrial Park) District properties for Administrative and Professional Offices and Research and Development where the approving authority finds that the collective FAR across all Industrial sub-districts does not exceed 0.8 FAR thereby ensuring consistency with the General Plan maximum FAR standard. Currently, the FAR across the

Industrial General Plan land use designations is 0.36 FAR, which is well below the 0.8 permitted under the General Plan. The proposed FAR bonus would not result in new or unanticipated environmental impacts that were not disclosed in the General Plan Program EIR because the bonus is limited to a specific use within a certain sub-district, which narrows the potential that the area-wide 0.8 FAR would be exceeded for areas with Industrial General Plan land use designations during the life of the General Plan. Further, according to the proposed regulations each project would be required to go through CEQA specific review, and staff would be required to monitor area-wide FAR and make a specific finding that the collective FAR across all sub-districts would not exceed 0.8. Otherwise, the bonus would not be permitted.


Based on the draft regulations and the analysis provided in this staff report, no new or unanticipated levels of development are anticipated that were not previously identified in the General Plan and General Plan EIR, and no new or unanticipated traffic, employment density, or construction impacts are expected to be generated as a result of adoption of these regulations. Therefore, the proposed Amendments substantially conform to the Goals and Policies set forth in the General Plan, and that were analyzed in the related Program EIR. No further environmental review is necessary.


**NEXT STEPS**

Following Planning Commission feedback and recommendation, Staff will forward the proposed Zoning Map and Text Amendments and Industrial District Design Guidelines to the City Council for a public hearing and first reading tentatively scheduled for May 14, 2019. If approved, the proposed amendments would become effective in June 2019.

Prepared by: Leigha Schmidt, Senior Planner

Approved by:

  
\_\_\_\_\_  
Sara Buizer, AICP, Planning Manager

  
\_\_\_\_\_  
Laura Simpson, AICP, Development Services Director