



SUBJECT

Proposal to Subdivide an Existing .15-acre site to allow for the construction of a 14-Unit Condominium building at 1289 Russell Way, for which a corresponding Site Plan Review and Density Bonus Application (Application No. 202205806) was previously approved in 2023, Requiring Approval of a Vesting Tentative Tract Map (VTTM) for Condominium Purposes (Tract No. 8762) and Finding that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA) Pursuant to Section 15332 of the CEQA Guidelines. Applicant/Property Owner: Horacio Woolcott, 4WR LLC.

RECOMMENDATION

That the Planning Commission approve the proposed Vesting Tentative Tract Map (Tract No. 8762) to allow the construction of a 14-unit condominium subdivision and find that the project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15332, based on the analysis set forth in this staff report and the findings (Attachment II), and subject to the conditions of approval (Attachment III).

SUMMARY

The applicant is requesting approval of a Vesting Tentative Tract Map for Condominium purposes (Tract No. 8762) to convert a 14-unit rental apartment building that was previously approved, but not yet built, into a 14-unit for-ownership condominium subdivision.

On November 2, 2023, the Planning Director approved Site Plan Review and Density Bonus Application No. 202205806 (Attachment VI) allowing the construction of the 14-unit apartment building on the subject site, including one unit that would be offered for rent affordable to very low-income households. Due to a significant increase in interest rates since the previous approval, the applicant is now proposing to subdivide the project into condominiums in order to be able to sell each unit individually, which would likely increase the project's feasibility. The proposed subdivision would feature a single parcel with each condominium owner owning the airspace within their individual unit and an equal share of the common areas and improvements within the development, which would be maintained by a Homeowners Association (HOA). As with the original plans for the apartment building, to comply with the requirements of the City's Affordable Housing Ordinance, the owner has committed to providing one of the 14 units for sale to a very low-income household.

BACKGROUND

On November 10, 2022, the applicant filed an application for Site Plan Review with Density Bonus (Application No. 202205806) to construct a new three-story, 14-unit apartment building

on the subject property. The project included the provision of one of the 14 units, or 7 percent, for rent at a level affordable to very low-income households. Pursuant to Hayward Municipal Code (HMC) Section 10-19.200¹, the project was entitled to one concession as a result of providing at least 5 percent of the units for very low-income households. The applicant chose to use this concession to reduce the amount of parking required for the project from 17 spaces to 8 spaces. The project was also afforded unlimited waivers under State Density Bonus Law, and the applicant utilized a small number of waivers related to building type, frontage type, front yard setback, and façade zone design to accommodate the proposed building and site design. The project was ultimately approved with the requested concession and waivers by the Planning Director on November 3, 2023.

On March 4, 2025, the applicant submitted an application for a Vesting Tentative Tract Map for Condominium purposes to convert the previously approved apartment building into a condominium subdivision to enable the sale of each unit individually. As part of the updated project, the applicant will offer one affordable unit for sale to a very low-income household in order to maintain the previously approved concession and waivers obtained through the approval of Site Plan Review and Density Bonus Application No. 202205806.

Public Outreach: On March 11, 2025, the Planning Division mailed out 756 Notices of Receipt of Application (NOR) for the proposed Vesting Tentative Tract Map to the owners and occupants of all properties within a 300-foot radius of the site, as well as to the Hayward Area Planning Association, the Upper B Street Neighborhood Task Force, the Friends of San Lorenzo Creek and the Downtown Hayward Improvement Association. No public comments were received in response to the NOR.

On October 9, 2025, a total of 760 public hearing notices were mailed to the owners and occupants of all properties within a 300-foot radius of the project site, as well as the same neighborhood groups and community associations that received the NOR. A public hearing notice was also published in *The Daily Review* newspaper on this same date. As of the date of the writing of this staff report, Planning Division staff has not received any comments from members of the public regarding the proposed project.

PROJECT DESCRIPTION

Existing Conditions. The project site is an undeveloped, 0.15-acre property currently being used for parking and vehicle storage. The property is surrounded by a mix of single-family homes and multi-family apartments to the south, east and west, and San Lorenzo Creek directly across the street to the north. The land is generally flat and contains three existing trees, as well as a split rail wood fence running the length of its frontage along Russell Way. The Site Plan Review and Density Bonus application that was already approved for the development calls for the removal of all three on-site trees as well as two additional off-site trees that would impede the ability to construct the approved building. As there is no room to plant any new trees on the site due to the size of the building's footprint, the developer will be required to pay a tree removal mitigation fee of \$33,500 which will go into the City's public tree fund and be used to plant future trees on public property throughout the City.

¹ [Hayward Municipal Code Section 10-19.200 - Granting if Incentives or Concessions](#)

Proposed Project: The proposed project consists of a Vesting Tentative Map for Condominium purposes for a previously approved 14-unit residential building to convert the units from rental apartments to for-ownership condominiums. No physical changes to the previously approved plans for the building or site are proposed. The proposed Vesting Tentative Map would simply overlay the previously approved Site Plan and enable the developer to subdivide the building and sell each of the units individually. The subdivision requires the formation of a Homeowner's Association (HOA) that would be responsible for the ownership and maintenance of all the building's common interior and exterior features, as well as the establishment of a set of Covenants, Conditions and Restrictions (CC&Rs) that would contain the governing provisions and joint and individual responsibilities of the HOA and each of its members.

The previously approved plans feature a three-story building containing a 7-space parking garage, main entry lobby/mailroom, separate elevator lobby, bike parking/storage area, utility rooms on the ground floor, and 14 total residential condominiums on the two upper floors (with seven units on each floor). The units feature studio-type floor plans designed for one- and two-person households that measure from 484 to 563 square feet each. A single driveway will provide vehicular access into the parking garage from Russell Way, while two pedestrian entrances will be provided along the front façade with one leading into the main entry lobby where the mailboxes will be located; and one leading directly into the parking garage. A separate metal roll-up door will be provided for the trash room so that the building's dumpsters can be rolled out to the street on collection day, and a similar door will be provided to allow easy access to the electrical room for service personnel.

Figure 1 – Previously Approved Front (Street View) Elevation (for reference only)



In accordance with the approved Site Plan Review application, the development will connect to existing water, sewer and storm drain facilities in Russell Way. Because of the building's overall height and proximity to the street, a condition of approval was added to the Site Plan Review application that requires the developer to dedicate additional right-of-way in order to widen Russell Way to enable fire apparatus access to the building's rooftop. The dedication consists of a strip of land running parallel to the front property line ranging in width from approximately 7.5 to 8.5 feet, amounting to 616 square feet. When this dedication is deducted from the total site area, the net remaining land area is 0.12 acres. The project will be required to construct all new street improvements along the segment of Russell Way fronting the project site, including a new curb, gutter and sidewalk with accessible curb ramps at the driveway entrance, and repave the full street section from curb to curb. Stormwater runoff will be collected and treated

in small treatment areas around the perimeter of the building before being discharged into the storm drain line in the street.

Sustainability Features: The project will be required to comply with the California Green Building Standards Code (CALGreen) and the City's Reach Code by featuring all-electric units that contain no gas-powered appliances, a parking garage that will contain three electric vehicle (EV)-ready parking spaces, and rooftop solar panels to help power the entire building. Additionally, all site landscaping will be required to comply with the City's Bay-Friendly Water Efficient Landscape Ordinance.

POLICY CONTEXT AND CODE COMPLIANCE

Hayward 2040 General Plan: The project site is designated City Center – Retail and Office Commercial (CC-ROC) in the *Hayward 2040 General Plan*². This land use designation allows for brick-and-mortar commercial and office buildings, mixed-use developments with ground-floor commercial and office uses and residential units on upper floors, and multi-family residential development such as townhomes, apartments and condominiums. Residential development on land designated CC-ROC is permitted at a maximum density of between 40 and 110 dwelling units per net acre (no minimum density is prescribed). The project proposes 14 condominiums on a net 0.12-acre site, resulting in a density of 117 units per net acre. Although this is slightly higher than the maximum density of 110 units per net acre prescribed by the General Plan, the project's increased density was approved with the previous entitlement, consistent with State Density Bonus law. As such, the project is consistent with the site's General Plan land use designation. The project is also consistent with a number of General Plan goals and policies including, but not limited to, the following:

- ***Land Use Policy LU-1.4: Revitalization & Redevelopment.** The City shall encourage property owners to revitalize or redevelop abandoned, obsolete, or underutilized properties to accommodate growth.*
- ***Land Use Policy LU-2.5: Downtown Housing.** The City shall encourage the development of a variety of housing opportunities, including housing units above ground-floor retail and office uses, in the Downtown to:*
 - *Increase market support for businesses,*
 - *Extend the hours of activity,*
 - *Encourage workforce housing for a diverse range of families and households,*
 - *Create housing opportunities for college students and faculty, and*
 - *Promote lifestyles that are less dependent on automobiles.*
- ***Land Use Goal LU-3:** Create complete neighborhoods that provide a mix of housing options and convenient access to parks, schools, shopping, jobs, and other community amenities.*
- ***Housing Policy H-3.1: Diversity of Housing Types.** The City shall implement land use policies that allow for a range of residential densities and housing types, prices, ownership, and size, including low-density single family uses, moderate-density townhomes, and higher-*

² [Hayward 2040 General Plan](#)

density apartments, condominiums, transit-oriented developments, live-work units, and units in mixed-use developments.

- *Housing Policy H-3.4: Residential Uses Close to Services. The City shall encourage development of residential uses close to employment, recreational facilities, schools, neighborhood commercial areas, and transportation routes.*

Downtown Specific Plan: The project site lies within the Downtown Specific Plan area. In April 2019, the City adopted the Downtown Specific Plan³ (DTSP) to establish a more focused set of land use and policy guidelines that apply to properties in Downtown Hayward including the subject site. The goal of the DTSP is to establish Downtown as the heart of the City and create a lively, safe, and attractive regional destination for people of all ages as described in Long Term Vision Goal 2.2:

Downtown Hayward is a regional destination, celebrated for its distinct history, culture, and diversity; providing shopping, entertainment, employment, and housing options for residents and visitors of all ages and backgrounds; that is accessible by bike, foot, public transit, and car.

The DTSP prescribes a mix of land uses to help achieve this goal, including multi-family housing and mixed-use developments having ground-floor retail, office, and entertainment uses, such as shops, restaurants, cafes and bars, and residential uses on upper floors. The proposed development is consistent with the following DTSP goals and policies:

- *Goal #1 – Land Use: Downtown is transformed into a vibrant, walkable City center that serves as regional destination to live, work, and play for City residents, neighboring communities, and local college students.*
- *Goal #3 - Housing: A wide variety of housing types are available to meet the economic and physical needs of a diverse population.*
- *Policy H 1 – Housing Supply: Encourage residential development at the maximum density allowed in the General Plan, where feasible, to spur more housing production, including affordable and market rate housing, and attract a wide spectrum of people to live Downtown.*
- *Policy H 2 – Affordable Housing: Strongly encourage the production of on-site affordable housing in the Plan Area, including options for extremely low, very low, low and moderate-income households, consistent with the Inclusionary Housing Ordinance.*

Zoning Ordinance: The project site is zoned Urban Neighborhood (UN)⁴. This zoning designation is intended to allow a walkable, urban neighborhood environment with moderate-intensity housing options, including townhouses, apartments and condominiums, located around the perimeter of the downtown within short walking distance of neighborhood-serving retail and service uses. As a 14-unit condominium development, the proposed subdivision

³ [Hayward Downtown Specific Plan](#)

⁴ [Hayward Municipal Code Section 10-28.2.2.060 – Urban Neighborhood \(UN\)](#)

complies with the property's zoning designation. The project's density, site plan design and building design were all found to be in compliance with the applicable standards of the UN zoning district when the Site Plan Review and Density Bonus application was approved in 2023, and no changes to those approved plans are proposed. The applicant did utilize waivers for some development standards (building type, frontage type, front setback, façade zone) as permitted under State Density Bonus Law, but use of Density Bonus waivers, concessions and incentives does not constitute inconsistency with objective standards.

Subdivision Ordinance⁵: In accordance with the Subdivision Map Act, in order to approve an application for a Vesting Tentative Tract Map, the Planning Commission must make the following findings:

1. The proposed map is consistent with applicable general and specific plans as specified in Government Code Section 65451;
2. The design or improvement of the proposed subdivision is consistent with applicable general and specific plans;
3. The site is physically suitable for the type of development being proposed;
4. The site is physically suitable for the proposed density of development;
5. The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat;
6. The design of the subdivision or type of improvements is not likely to cause serious public health problems; and
7. The design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision.

As stated above, the proposed subdivision conforms to the *Hayward 2040 General Plan* and *Downtown Specific Plan* and complies with the applicable requirements of the *Zoning Ordinance* and as such, staff believes the Planning Commission can make the necessary findings to approve the proposed tentative map. A geotechnical investigation was completed for the project in September 2022 which concluded that the site was physically suitable for the type and density of development being proposed, and the project is not likely to have an adverse impact on public health and safety in that its construction will be required to comply with the California Building and Fire Codes and all improvements will be required to be constructed in accordance with applicable City standards. The subdivision will not cause substantial environmental damage or avoidably injure fish or wildlife or their habitat in that the site does not contain any environmentally sensitive features or habitats save for the existing trees, and the applicant will be required to conduct pre-construction surveys of the trees to ensure that no protected bird species are utilizing them for nesting purposes. Finally, the subdivision design will not conflict with any existing public easements in that no such easements currently encumber the property. More detail for each of the required findings is provided in the Draft Findings for Approval contained in Attachment II.

⁵ [Hayward Municipal Code Chapter 10, Article 3 - Subdivision Ordinance](#)

SB 330 and Housing Crisis Act: In 2019, the State of California adopted new legislation (SB 330) that was intended to address the State’s housing crisis. SB 330 strengthened the Housing Accountability Act (Government Code Section 65589.5), which states that a housing development that complies with the objective standards of the General Plan and Zoning Ordinance must be approved by the City, unless the City is able to make written findings based on a preponderance of evidence in the record that either: (1) the City has already met its Regional Housing Needs Allocation (RHNA) requirement; (2) there is an impact to the public health and safety and this impact cannot be mitigated; (3) the property is agricultural land; (4) approval of the project would violate State or Federal law and this violation cannot be mitigated; or (5) the project is inconsistent with the zoning and land use designation and not identified in the General Plan Housing Element RHNA inventory. “Objective” means involving no personal or subjective judgment by a public official and being uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official.

As mentioned earlier, the project complies with the objective development standards of the UN zoning district with a small number of exceptions that were afforded the applicant under the City’s Density Bonus Ordinance and State Density Bonus Law, through the use of waivers and concessions.

Regional Housing Needs Allocation & Affordable Housing Ordinance: Local jurisdictions report progress annually on meeting their Regional Housing Needs Allocation (RHNA) goals which are included in the City’s Housing Element. The 6th Cycle Housing Element (2023-2031) was adopted by the City Council on February 7, 2023, and subsequently certified by the State Department of Housing and Community Development (HCD). In the next eight-year cycle (2023-2031), the City is required to build 4,624 units at a variety of income levels. According to the Housing Element, Appendix C, Table C-3, Planned, Approved and Pending Projects, there are a total of 2,073 units that are approved or otherwise pending at various income levels during the upcoming cycle. The proposed condominium subdivision would add 13 above moderate (market-rate) units and one very low-income affordable unit to the City’s totals.

Table 1: 2025 RHNA Goal Progress in the City of Hayward

Income Category	Unit Goal	Reported 2024		Approved		Pending Approval		Estimated Compliance	
		Units	% of Goal	Units	% of Goal	Units	% of Goal	Units	% of Goal
Very Low	1,075	175	16%	130	12%	22	2%	327	30%
Low	617	189	31%	24	4%	27	4%	240	39%
Moderate	817	221	27%	6	1%	8	1%	235	29%
Above Moderate	2,115	961	45%	1,025	48%	560	26%	2,546	120%

The proposed project is subject to the requirements of the City's Affordable Housing Ordinance (AHO) set forth in HMC Chapter 10, Article 17 - Affordable Housing Ordinance⁶. An applicant may satisfy the requirements of the ordinance by paying an affordable housing in-lieu fee or including affordable units within the proposed development. In accordance with HMC Section 10-17.210, high density residential condominium (for-ownership) projects at densities of 35 units per acre or greater are required to provide 7.5 percent of the units at rates affordable to moderate-income households. In this case, the applicant is required to provide 1.05 units, or 7.5 percent of 14 units, affordable to moderate-income households. To be eligible for the concessions and waivers afforded projects under the City's Density Bonus Ordinance and State Density Bonus Law, the applicant has elected to exceed the minimum requirement of the AHO by providing one unit affordable to very low-income households and pay the in-lieu fee for the additional 0.05 fractional unit. Affordable housing in-lieu fees are required to be paid either prior to issuance of a building permit for each dwelling unit or prior to approval of a final inspection or issuance of an occupancy permit for the unit.

Parkland Dedication: HMC Chapter 10, Article 16 – Property Developers-Obligations for Parks and Recreation⁷ sets forth the parkland dedication requirements for private development based on residential unit count and size. Pursuant to the Ordinance, the applicant must pay fees in lieu of land dedication (also referred to as Park Impact Fees). Currently, Park Impact Fee rates are \$3,812 for a studio unit and \$10,764 for a two-bedroom unit. The proposed plans feature eight total studio units and six total 2-bedroom units. As such, the developer would be obligated to pay \$95,080 in Park Impact Fees under the current fee rates for the project. A condition of approval is included requiring the applicant to pay the applicable Park Impact Fees in effect at the time of building permit issuance.

STAFF ANALYSIS

Staff believes the Planning Commission can make the findings required to approve the Vesting Tentative Map for Condominium Purposes. The findings to support the recommendation for approval and related conditions of approval are included in Attachments II and III to this staff report, respectively. The findings required for approval of Vesting Tentative Map mandate that the subdivision be consistent with the City's General Plan and Downtown Specific Plan and adhere to applicable standards of the Zoning Ordinance, with exceptions afforded by State Density Bonus Law, and this project was found to satisfy all of these requirements when the corresponding Site Plan Review and Density Bonus application was approved in 2023. The proposed subdivision would not result in any modifications to the previously approved plans and would simply enable the property owner to sell each of the units individually as condominiums. Furthermore, the proposed subdivision design does not require any variances from or exceptions to the applicable standards for a residential condominium development except for the waivers listed in the "Background" section, above. And, pursuant to SB 330, a project's receipt of a density bonus or waivers, concessions and incentives under the State Density Bonus Law is not a basis for denial due to inconsistency with objective standards. For these reasons, staff believes that the Commission can make the findings to approve the project.

⁶ [Hayward Municipal Code Chapter 10, Article 17 – Affordable Housing Ordinance](#)

⁷ [Hayward Municipal Code Chapter 10, Article 16 – Property Developers-Obligations for Parks and Recreation](#)

ENVIRONMENTAL REVIEW

The proposed subdivision is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15332, In-Fill Development Projects, in that it is a project: (a) that is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations; (b) that occurs within Hayward city limits on a site of no more than five acres substantially surrounded by urban uses; (c) that is located on a site that has no value as habitat for endangered, rare or threatened species; (d) whose approval would not result in any significant effects relating to traffic, noise, air quality or water quality; and (e) that can be adequately served by all required utilities and public services.

NEXT STEPS

Following the Planning Commission hearing, a ten-day appeal period will take place. If no appeal is received, then the Commission’s decision will become final, and the applicant will then be able to proceed with the application for the Final Map and Subdivision Improvement Plans for the project. If an appeal is filed, then a hearing by the City Council will be scheduled for a date to be determined and the public will be duly notified of said hearing.

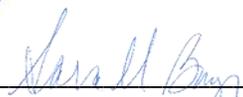
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