

HAYWARD CITY COUNCIL

RESOLUTION NO. 25-_____

Introduced by Council Member _____

RESOLUTION ADOPTING AMENDMENTS TO CHAPTER 10, ARTICLE 1, SECTIONS 10-1.845 (MINIMUM DESIGN AND PERFORMANCE STANDARDS), 10-1.1952 (AT-C USES PERMITTED) AND 10-1.1953 (AT-C CONDITIONALLY PERMITTED USES) OF THE HAYWARD MUNICIPAL CODE UPDATING THE REGULATIONS GOVERNING RESTAURANTS AND COFFEE SHOPS WITH DRIVE-THROUGH FACILITIES ON PROPERTIES LOCATED WITHIN THE AIR TERMINAL – COMMERCIAL ZONING DISTRICT.

WHEREAS, on January 15, 2019, the City of Hayward Planning Director approved Site Plan Review Application No. 201803495 allowing the construction of a new four-story, 131-room hotel and a separate 5,300-square-foot multi-tenant commercial building at 22101 Hesperian Boulevard within the Air Terminal-Commercial (AT-C) zoning district (the “Subject Property”); and

WHEREAS, the hotel was constructed in accordance with the 2019 Site Plan Review approval, however, the multi-tenant commercial building was not completed due to financial feasibility issues and the hotel owner/developer (“Applicant”) requested that the City consider supporting the development of a drive-through Starbucks at the subject site. To provide the applicant with guidance, staff recommended that the item be considered at a Council Economic Development Committee Meeting (CEDC); and

WHEREAS, on April 28, 2022, the CEDC reviewed the concept of amending the Zoning Ordinance to allow new coffee shops with drive-through facilities in the AT-C zoning district to enable the Applicant to proceed with the proposal and was generally supportive of the concept provided that the building include a mixed-use component to make more intensive and efficient use of the land; and

WHEREAS, on March 19, 2024, the Applicant submitted Zoning Text Amendment, Conditional Use Permit and Site Plan Review Application No. MTA-24-0002 to request approval of the necessary text amendments as well as the entitlements needed to construct a new coffee shop with drive-through facility at the subject property; and

WHEREAS, on May 22, 2025, the Planning Commission held a duly-noticed public hearing to consider the recommended text amendments as well as the accompanying entitlements for the project, received public testimony, and at the close of the public hearing did not make a recommendation to City Council regarding approval or denial; and

WHEREAS, on May 16, 2025, notice of a public hearing was published in the manner required by law, and said hearing was duly held by the City Council and public testimony was received on June 3, 2025.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby finds and determines as follows:

CALIFORNIA ENVIRONMENTAL QUALITY ACT

1. The proposed text amendments are exempt from the California Environmental Quality Act (CEQA) under the “common sense” exception set forth in CEQA Guidelines Section 15061(b)(3) in that it can be seen with certainty that there is no possibility that their adoption could have a significant effect on the environment.

ZONING TEXT AMENDMENTS

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

The proposed Text Amendments will promote the public health, safety, convenience and general welfare of Hayward residents by allowing new restaurants and coffee shops with drive-through facilities on a small number of parcels zoned AT-C, all of which are located immediately around the Hayward Executive Airport and along the major commercial thoroughfares of Hesperian Boulevard, West A Street and West Winton Avenue. Drive-through restaurants and coffee shops have become a popular choice for people driving to and from work, traveling to and from airports while in transit, and while running errands, because they provide a safe and convenient option for purchasing goods. The amendments would not expressly approve new drive-through facilities; instead, they would require each one to be subject to approval of a Conditional Use Permit by the Planning Commission after a public hearing, thus ensuring that each one is designed safely and in a manner that best promotes the general welfare of any adjacent uses.

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

The proposed Text Amendments are consistent with the goals and policies set forth in the *Hayward 2040 General Plan* in that they would facilitate the development of a popular type of commercial land use that is often found along major thoroughfares and near airports on a small number of parcels immediately around the Hayward Executive Airport. The General Plan contains a number of goals and policies aimed at providing a robust economy that offers a wide variety of goods and services, facilitating the development of new commercial uses that meet the everyday needs of Hayward residents and workers, and generally creating a business-friendly environment. Specifically, the proposed amendments are consistent with the following goals and policies set forth in the *Hayward 2040 General Plan*:

Land Use Goal LU-4: Create attractive commercial and mixed-use corridors that serve people traveling through the city, while also creating more pedestrian-oriented developments that foster commercial and social activity for nearby residents and businesses.

Land Use Policy LU-4.1: Mixed-Use Corridors. The City shall encourage a variety of development types and uses along corridors to balance the needs of residents and employees living and working in surrounding areas with the needs of motorists driving through the community.

Land Use Policy LU-4.8: Shared Driveways & Parking Lots. The City shall encourage adjoining properties along corridors to use shared driveways and shared parking lots to promote the efficient use of land, reduce the total land area dedicated to parking, and to create a more pedestrian-friendly environment by minimizing curb cuts along the sidewalk.

Economic Development Goal ED-6: Achieve recognition as the most desirable and business-friendly place to locate and conduct business in the East Bay.

Economic Development Policy ED-6.2: Land Use Certainty. The City shall strive to enhance land use certainty for businesses by identifying and removing unnecessary regulatory barriers that discourage private sector investment.

Additionally, the proposed Text Amendments are consistent with City Council's Strategic Roadmap projects which contain a goal to expand the economy by, among other strategies, creating thriving commercial corridors that feature a mix of land uses, including retail shops, restaurants, and professional offices featuring daytime worker populations to help patronize them.

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

Streets and public facilities within the AT-C district are adequate to serve new restaurants and coffee shops with drive-through facilities if they are conditionally permitted within the district. Site-specific review to ensure adequate access, queuing space, and pedestrian, vehicular and bicycle safety would be conducted on a project-by-project basis through the Conditional Use Permit process.

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 AT-C zoning district allows restaurants and offices as by right uses. Allowing construction of a drive-through component as part of a new restaurant or coffee shop to support its economic viability would provide a benefit that is not achieved under existing regulations. Furthermore, drive-through facilities are common along major thoroughfares and in commercially zoned areas throughout Hayward.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward, based on the foregoing findings, hereby adopts the findings in support of the proposed Text Amendments to Chapter 10, Article 1, Sections 10-1.845 (Minimum Design and Performance Standards), 10-1.1952 (AT-C Uses Permitted), and 10-1.1953 (AT-C Conditionally Permitted Uses) of the Hayward Municipal Code, subject to adoption of the companion Ordinance.

BE IT RESOLVED that this resolution shall become effective on the date that the companion Ordinance (Ordinance No. 25-__) becomes effective.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2025.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward