



**PLANNING COMMISSION MEETING
REMOTE PARTICIPATION
Thursday, April 14, 2022, 7:00 p.m.**

The Planning Commission meeting was called to order at 7:00 p.m. by Chair Oquenda. The Planning Commission held a virtual meeting with teleconference participation by members of the Planning Commission, staff and public.

ROLL CALL

Present: COMMISSIONERS: Bonilla, Goldstein, Lowe, Stevens
CHAIRPERSON: Oquenda
Absent: COMMISSIONER: Ali-Sullivan and Roche

Staff Members Present: Ameri, Byrne, Chan, Chang, England, Garcia, Grewal, Hung, Lo, Lochirco, McNeeley, Nguyen, Parras, Solla, Strojny, Svrclin, Vigilia

PUBLIC COMMENT:

There were none.

PUBLIC HEARING:

For agenda items No. 1, the Planning Commission may make a recommendation to the City Council.

Commissioner Stevens recused himself from this item as there was a conflict of interest and left the meeting at 7:04 p.m.

1. Recommended FY 2023 – FY 2032 Capital Improvement Program (CIP)

Public Works Director Ameri introduced the item and Acting Senior Management Analyst Byrne provided a synopsis of the staff report and presented the online Proposed Capital Improvement Program (CIP).

Chair Oquenda opened and closed the public hearing at 7:27 p.m.

The Planning Commissioners thanked staff for the informative presentation; the user-friendly CIP online platform that was quite easy to understand and tracks progress on projects and the platform contributes to transparency.

Commissioner Bonilla appreciated that many of the projects were being accomplished in partnership with other agencies so that the City does not bear the full burden of the costs enabling projects to move forward. Mr. Bonilla asked what are the plans to fully fund the following projects: the Eden Youth and Family Center and the Police Department



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remodel/construction projects; Public Works Director Ameri responded that the City Manager's Office is actively researching grants and ideas to fund these projects and that one part that is moving forward is pursuing the design of the HPD locker room with the plan to build a 5500 square foot locker room. Mr. Bonilla supported the projects and recommendations and appreciates the focus of so many projects in the South Hayward area especially the ones the increase quality of life.

Commissioner Lowe asked about the number of trees and types of trees the City plants per year; Public Works Director Ameri responded that the total number of trees planted per year is approximately half by the City and half by developers.

Commissioner Goldstein said there are concerns not only from staff, but also from the community regarding the HPD building; he said there is a gap for addressing the needs of HPD staff and hoped that Council will consider this and put in place plans to move forward. Mr. Goldstein stated there is more park space per capita in the City and was glad there is movement on the La Vista Park project and asked if this has been fully funded; Public Works Director Ameri responded that staff is still seeking funding and that work will commence on a portion of this project. Mr. Goldstein asked about the plans for Safe Walking to school; Mr. Ameri responded that there are plans to improve access to Cesar Chavez school; staff is working with ACTC on these projects and staff continuously works on obtaining funding. Mr. Ameri confirmed that for the Mission Boulevard Project, Phase 2 has been completed; for Phase 3, he explained how the lowest bid was \$5 million over the engineers estimate; staff is working to close the funding gap and the project will go out to bid again for Phase 3.

Chair Oquenda supported the proposed Capital Improvement Program.

Public Works Director Ameri expressed that he appreciated the comments and recommendations that will be forwarded to Council.

Chair Oquenda thanked Public Works Director Ameri's for his contributions and dedication to the City of Hayward.

A motion was made by Commissioner Bonilla, seconded by Commissioner Goldstein, to approve the staff recommendation. The motion passed with the following roll call votes:

AYES:	Commissioners Bonilla, Goldstein, Lowe Chair Oquenda
NOES:	None
ABSENT:	Commissioners Ali-Sullivan and Roche
RECUSE:	Commissioner Stevens



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Commissioner Stevens returned to the meeting at 7:44 p.m.

WORK SESSION

2. Proposed Traffic Impact Fee and Nexus Study

Public Works Director Ameri provided a synopsis of the staff report and spoke about the contributions from staff and the City's consultant Community Attributes. Mr. Ameri provided a summary of the Stakeholder feedback and staff's responses.

Ms. Michaela Jellicoe with Community Attributes provided the financial portion of the staff report.

Chair Oquenda opened and closed the public hearing at 8:16 p.m.

Chair Oquenda shared that he participated in the community meetings; appreciates that there is still a fee on single-family housing development; he commented that single-family home (SFH) development will come from developers with resources; this construction will be in the hills where the land is more abundant and that this type of construction will not be for SFH infill development and not built in the flatlands. Mr. Oquenda stated the reduction in fees for SFH development is unnecessary; the City should consider the weight of the affordable housing fees versus fees on SFH development; and suggested for large lot SFH there should be a cut-off for the 2500 to 5000 square feet homes that will most likely have five to six cars a home as has seen in prior projects. He said it is reasonable to increase fees for SFH above a certain lot size and to have only a 30% reduction from the maximum allowable. He stated that this will not raise a lot of revenue for Hayward and suggested that the City needs to be more assertive in the mandated fees.

Commissioner Goldstein agreed with Chair Oquenda about the fees for the larger homes as these larger homes will have a substantially different impact than a smaller home in the flatlands; he suggested a sliding scale mechanism; there should be an allowance/or exclusions for ADUs and asked if ADUs can be designated as available for rent. He said that Hayward needs to incentivize homes and fund maintenance for streets and roads. Mr. Goldstein asked if the traffic impact fees (TIF) had been in place when Amazon converted their data center to a delivery facility would this have solved the fees for the traffic light.

Public Works Director Ameri responded to the comments about SFH fees and noted that in the category of SFH that townhomes are included. He said that staff will be reviewing the TIF performance in three years; and that CAI was hired to review the financial feasibility; noting that not many cities have set their TIFs at the maximum allowable. Mr. Ameri said regarding the Amazon warehouse it was contentious; Amazon had constructed a warehouse and then



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came to the City and wanted to change the use for the warehouse and found out with the use change the impact of the TIF costs which was not part of their budget. Mr. Ameri said if Amazon came to the City today the applicant would have access to all the costs and know that to be aware of all traffic impacts a local transportation analysis (LTA) would need to be conducted.

Commissioner Goldstein stated that the TIF program will make it easier for developers to know what costs will be involved for a proposed project then the developer would know how to move forward with their application. Mr. Goldstein asked is there any benefit for current projects submitted prior to July 1, 2022, to convert to the TIF program versus the grandfathered LTA. Public Works Director Ameri responded that staff will be discussing this with the City Attorney's Office.

Sr. Assistant City Attorney Vigilia said he has seen other jurisdictions' TIF ordinances where there are provisions for projects that will vest prior to when the TIF ordinance goes into effect where there can be a condition of approval (COA) for the developer to agree to pay the TIF.

Chair Oquenda said in the analysis for SFH and townhomes and the findings of marginal, he recommended separating and reducing the fees for townhomes and asked if an analysis was conducted on this. Ms. Michaela Jellicoe with CAI noted that her company specifically looked at townhomes as this housing product was representative of SFH development in the feasibility modeling and that it would be difficult and challenging for the City to separate townhomes since the NEXUS study has a single category development for both attached and detached homes. She added that in her experience larger homes will have a greater impact.

Senior Transportation Engineer Solla added that because of SB 330, the Housing Crisis Act of 2019 and SB 35, these senate bills streamline affordable housing; staff wanted to make sure not to disincentivize housing in general, especially since some detached SFH can also be affordable housing. Ms. Solla said that staff wanted to make sure housing was treated fairly and align with SB 330 and 35.

Public Works Director Ameri added that the fees for SFH was aligned with the fees in other jurisdictions in the East Bay and the City did not want to be in excess of what other cities are charging.

Chair Oquenda stated there should be a distinction between the SFH and townhomes and can appreciate the difficulty in making this distinction. He said since the fee would apply to all SFH as a baseline and treated similarly; his suggestion is that the larger SFH would have different fee reductions based on certain criteria such as the lot square footage as he mentioned prior and understands that it would be complicated as there is no separation between SFHs and townhomes in the Nexus study.



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Commissioner Lowe said since the City is considered to have strong regional demand, why is the City agreeing to a 30% reduction for General Industrial and Distribution/e-commerce; Ms. Jellico said that the City wanted to remain competitive and to arrive in the middle range of 30% recognizing that there is a strong demand and did not want to challenge development. Ms. Lowe asked if additional fees can be automatically charged if the impact study shows that a project's impact is worse than what was originally anticipated under the TIF; Public Works Director Ameri responded that when the TIF goes into effect and there is a development subject to a local transportation analysis (LTA) which shows there are other impacts not covered under the TIF and Nexus study; then those impacts will have to be mitigated and there maybe more costs for the project. Ms. Lowe asked would this impact the transparency of the TIF; Mr. Ameri added that projects such as this are rare, most projects will not be subject to an LTA and will not have project specific impacts. Ms. Lowe asked if a developer is requesting a zone change would this necessitate a specific study and be subject to additional fees; Senior Assistant City Attorney Vigilia responded it is possible that a zone change request that could result in increased density and/or intensity would be subject to the TIF. Transportation Planner Chang said when a developer submits an application the developer is still subject to a site plan review and if staff identifies a specific transportation related issue that is not covered by the TIF then staff will request the developer to mitigate the impact and provided the following example: if a development results in the need for a traffic signal at the intersection of the driveway and the intersection is not included in the TIF list, then the development would then be responsible to mitigate that impact by installing the traffic signal and this mitigation measure would be included as a COA. Mr. Chang added that the TIF does not address public safety thus if there are any public safety issues then staff will request the applicant to put in place mitigation measures to address these public safety issues.

Commissioner Stevens said the TIF program is a great approach and makes Hayward a much more attractive place to develop. Mr. Stevens asked that if a developer made a public improvement under the TIF list will the developer receive credit for improvements; Senior Assistant City Attorney Vigilia said that this will need to be discussed with staff and noted that other jurisdictions do allow credit for improvements. Mr. Stevens strongly encouraged that this credit be included in the ordinance. Mr. Stevens does not support adjusting the fee structure for SFH and that there are many SFH being built on very small lots; they perform similar to townhomes and to create a distinction could be very complicated and difficult for the City to administer. He commented that the number of very large homes being built is small and the fees received would be marginal as compared to other uses and the administrative costs would exceed the fees received.

Commissioner Bonilla asked if other jurisdictions have made distinctions to SFH in their TIF ordinances; Senior Assistant City Attorney Vigilia responded that he cannot say if this was included in other jurisdictions TIF ordinances. Mr. Bonilla supported what is being proposed; appreciated the simplified process and that the City was conservative in the fee structure to



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make sure that development was not disincentivized; appreciated the comparison fee structures of other jurisdictions and considered Hayward and the City's housing need, by staying below nearby cities fees will help incentivize development. Mr. Bonilla appreciated the slides as it helped him understand the recommendation and glad that the City was responsive to the stakeholders' feedback and that meetings were held to make sure the City was listening and understanding the community's needs.

Commissioner Lowe commented that she appreciated staff's hard work and since staff found that there is a strong regional demand for general industrial and distribution/e-commerce, she recommended that these fees be increased.

APPROVAL OF MINUTES

3. Approval of the Planning Commission Meeting Minutes of March 10, 2022.

A motion was made by Commissioner Lowe, seconded by Commissioner Stevens, to approve the Planning Commission Meeting Minutes of March 10, 2022.

The motion passed with the following roll call votes:

AYES:	Commissioners Bonilla, Goldstein, Lowe, Stevens Chair Oquenda
NOES:	None
ABSENT:	Commissioners Ali-Sullivan and Roche
ABSTAIN:	None

STAFF AND COMMISSION ANNOUNCEMENTS

Staff announcements on Planning and Zoning Matters:

Planning Manager Lochirco provided a friendly reminder that the Housing Balancing Act, which is part of the City's Housing Plan update, is currently available online at www.haywardhousingandclimateupdate.com. Mr. Lochirco announced that the first Planning Commission hybrid meeting will be Thursday, May 12, 2022. He said the next Planning Commission meeting on April 28, 2022, might be cancelled, as currently there are no items on the agenda.

Chair Oquenda shared that he found the online Balancing Act interesting and recommended that everyone look at this tool.



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Commissioners' Announcements, Referrals:

There were none.

ADJOURNMENT

Chair Oquenda adjourned the meeting at 8:49 p.m.

APPROVED:

Brigitte Lowe, Secretary
Planning Commission

ATTEST:

Denise Chan, Senior Secretary
Office of the City Clerk