

HAYWARD CITY COUNCIL

RESOLUTION NO. 19-

Introduced by Council Member \_\_\_\_\_

RESOLUTION TO ADOPT AMENDMENTS TO THE ZONING MAP AND TEXT AMENDMENTS TO CHAPTER 10, ARTICLE 1 (ZONING ORDINANCE) AND ARTICLE 2 (PARKING REGULATIONS) OF THE HAYWARD MUNICIPAL CODE AND ADOPTION OF INDUSTRIAL DISTRICT DESIGN GUIDELINES RELATED TO A COMPREHENSIVE UPDATE OF THE INDUSTRIAL DISTRICT REGULATIONS

WHEREAS, on July 1, 2014, the City Council adopted Resolution No. 14-108, adopting the Hayward 2040 General Plan which 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; and,

WHEREAS, the Hayward 2040 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, and Implementation Program Land Use (LU-11), to update the industrial regulations between 2017-2019, to achieve Industrial-related General Plan goals and policies; and,

WHEREAS, on March 19, 2019, the City Council adopted Resolution No. 13-032, adopting the Economic Development Strategic Plan (2014-2018), which 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; and,

WHEREAS, in 2015, the Economic Development Division prepared an Industrial Technology and Innovation Corridor Baseline Profile 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; and,

WHEREAS, 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; and,

WHEREAS, between June 2017 and December 2017, the consultant team met with industrial stakeholders, developed a Draft Research and Recommendations Report, and presented the findings from that Report to the Chamber of Commerce Board of Directors, the Council Economic Development Committee and at a Community Meeting; and,

WHEREAS, on October 11, 2018 and December 7, 2018, the Planning Commission and City Council, respectively, held public Work Sessions on the Draft Industrial District regulations; and,

WHEREAS, on April 25, 2019, the Planning Commission considered the proposed Zoning Map and Text Amendments and Industrial District Design Guidelines and voted (6-0-0), that the City Council approve the proposed Industrial District Design Guidelines and Zoning Text Amendments and recommended that the Design Guidelines be updated to include images for large scale office development, particularly along Route 92; and, that all projects that request an FAR bonus above 0.8 be subject to Major Site Plan Review; and,

WHEREAS, notice of the hearing was published in the manner required by law and a public hearing was duly held by the City Council on May 14, 2019. Following public testimony, the City Council continued the item to May 28, 2019; and,

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

CALIFORNIA ENVIRONMENTAL QUALITY ACT

1. Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15168, a Program Environmental Impact Report (EIR) was prepared for the Hayward 2040 General Plan. 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).
2. In accordance with Section 15164 of the 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. That the Program EIR covers the subject zone change as a subsequent action contemplated with the adoption of the Hayward 2040 General Plan Update and is consistent with the General Plan Land Use diagram.

3. A proposed Floor Area Bonus (FAR) for Administrative and Professional Offices and Research and Development on IP (Industrial Park) District properties where the approving authority finds that the collective FAR across all Industrial sub-districts does not exceed 0.8 would ensure consistency with the district-wide General Plan maximum FAR standard.
4. 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.
5. That the project complies with CEQA, and that the City Council has reviewed and considered the information prior to approving the project. The custodian of the record of proceedings upon which this decision is based in the Development Services Department of the City of Hayward located at 777 B Street, Hayward, CA 94544.

FINDINGS FOR ZONING MAP AND TEXT AMENDMENTS TO THE HAYWARD MUNICIPAL CODE

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 and related design guidelines 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 and related design guidelines 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 wayfinding.
- 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 and related design guidelines 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 and related design guidelines 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.

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 Zoning Map and Text Amendment Application No. 201800269 and related Industrial District Design Guidelines, subject to the adoption of the companion Ordinance.

BE IT RESOLVED that this resolution shall become effective on the date that the companion Ordinance (Ordinance No. 19-\_\_) becomes effective.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2019.

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