



DATE: December 12, 2017

TO: City Council

FROM: Interim Director of Development Services

SUBJECT: Mission Seniors Residential Development. Proposed Vesting Tentative Map No. 8394, Site Plan Review with Grading Permit, Warrants and an Exception of the South Hayward BART/Mission Boulevard Form Based Code, Environmental Review, and Zoning Text Map Amendment of the South Hayward BART/Mission Boulevard Form Based Code Application No. 201700782 to Allow 200 Market-Rate, Senior Condominium Units and Three (3) Single-Family Detached Residences

RECOMMENDATION

That the City Council approves the Mission Seniors project, including: the amendment to the South Hayward BART/Mission Boulevard Form-Based Code (Article 24) to remove the New Thoroughfare roadway designation from the project site; application for Site Plan Review with Grading Permit for the project; two Warrants from the Form Based Code for subdivision lot size standards and an Exception from the Form Based Code for the number of principal buildings on one lot and the primary building entrance locations; and a Vesting Tentative Map 8394 (subject to City Council approval of the Final Map) to build 200 condominium units for a senior residential development and three single-family detached dwelling units, subject to approval of the attached Resolution (Attachment II) and Ordinance (Attachment III).

SUMMARY

The proposed Mission Seniors project is recommended for approval because it represents high-density, transit-oriented senior housing development envisioned by the T4 Urban General transect zone of the South Hayward BART/Mission Boulevard Form-Based Code and aligns with many of the goals and policies of the Sustainable Mixed Use (SMU) land use designation of the *Hayward 2040 General Plan*.

The proposed residential uses help implement the urban center character defined in the Form-Based zoning code. The proposed project also responds to an increasing market demand for senior residential housing units with a significant number of community amenities on a site that is currently developed with vacant and underutilized structures that has not been maintained and has become a public nuisance. The project is well-

designed and supports the required findings within the configuration and constraints of the project site and development standards for the T4 transect zone.

As proposed, the project will require approval of the following land use entitlements:

- Zoning Text Amendment of the South Hayward BART/Mission Boulevard Form Based Code to remove New Thoroughfare designation from the project site;
- Form Based Code Exception to allow more than one principal building on a lot and allow the principal entrances for those buildings along non-frontages;
- Form Based Code Warrant to allow a proposed subdivision that contains more than one building per lot and to vary the required lot width standards;
- Form Based Code Warrant to allow a parcel merger of the three existing parcels for parcels not conforming to the required lot width requirements;
- Vesting Tentative Map to create two fee-simple parcels for the multi-family project and three single-family lots; and
- Site Plan Review with Grading Permit for grading on slopes in excess of 20% and for the construction of the new buildings, landscaping and parking areas.

BACKGROUND

Council Economic Development Committee (CEDC). This project was originally presented to the CEDC at the [December 7, 2015](#) meeting. At that time, the CEDC provided generally positive feedback on the concept proposal; however, the project did not have specific project designs, including project elevations. Following that meeting, the applicant spent nearly a year developing more detailed plans and completing some due diligence studies, including a geotechnical study in which a fault line was identified on the eastern portion of the project site. Given this physical constraint and the feedback provided at the meeting, the conceptual project was modified and the revised project plans were presented to the CEDC at a regular meeting on [December 5, 2016](#).

While the overall feedback from CEDC members was positive, several members expressed concern with the project density, the amount of hillside grading, the potential impacts to views corridors, and the lack of pedestrian connectivity.

Following the December 2016 meeting, the applicant further enhanced the pedestrian connections between the project site and the adjacent single-family lots on Overhill Drive, but the revisions did not specifically address the Committee's concerns with project density and hillside grading.

Planning Commission. On [June 22, 2017](#), the Planning Commission held a work session to review this project and provide feedback to staff and the applicant on the project design and entitlements. Generally, the Commission supported the project, including the architecture and design, as well as the proposed amenities for senior residents but recommended additional sustainable features be incorporated into the site over and above the amenities proposed. Following the Commission meeting, the applicant expanded their proposed transportation demand management (TDM) amenities and further enhanced the building design to incorporate sustainable features. At that meeting, one member of the public spoke in favor of the project and no one expressed opposition.

Following the work session in June 2017, the Planning Commission held a public hearing on [November 9, 2017](#) to review and provide recommendations to the City Council on the multiple project entitlements. The Commission unanimously recommended the City Council approve the Mission Seniors project, including all the entitlements requested, as conditioned by staff.

DISCUSSION

Existing Site Conditions: The entire 5.58-acre project site consists of four parcels with three parcels located on Mission Boulevard and one parcel located along Overhill Drive. Both project sites contain hillside slopes that exceed 20% and are subject to the City's [Hillside and Urban/Wildlife Interface Guidelines](#). The smaller .78-acre lot on Overhill Drive is currently undeveloped and contains several mature trees and the larger 4.8-acre site on Mission Boulevard contains vacant commercial buildings, an industrial storage area, parking lot, and a single-family home with detached garage. The project would require the demolition of all the existing structures on site (totaling 15,000 square feet) as well as removal of the surface parking lot and several mature trees.

Proposed Project. The proposed Mission Seniors project includes three, four-story buildings that contain market-rate, 100% senior housing development designed for residents aged fifty-five years and over that promotes “active lifestyles” in a transit proximate location near the South Hayward BART Station. The multi-family residential project includes 200 condominium units in a variety of one, two and three-bedroom floorplans and three single-family detached units, which are proposed for an adjacent site.

Each condominium unit has been designed for “independent living” and offers their own kitchen, laundry and private open space, incorporating either a private balcony or deck terrace that faces the landscaped gardens, surrounding neighborhoods, or the natural hillside. The site will also feature significant landscaping and frontage improvements for both Mission Boulevard and along Overhill Drive, and several pedestrian paths to enhance the walking and connectivity between the project site and adjacent sites.

The project is designed to accommodate both active and passive lifestyles, with numerous amenities to appeal to the senior demographic. Specifically, the project will provide an outdoor pool and sundeck, outdoor dining area, pickle ball court, vegetable gardens, central dining room, library/reading room, art studio, game room, auditorium, hair salon, medical consultation room, fitness center with jacuzzi, terraced gardens with outdoor seating, a dog washing station, and a bike repair station. Many of the project amenities are proposed to be managed and maintained by the homeowner’s association with the assistance of an on-site management group. Additionally, the project will provide a separate “guest suite” which could be available for families or friends of the residents of the project.

The Mission Seniors development is proposed as a gated community, where the main vehicular entry gate will require card access to maintain security and privacy for the residents. Additionally, security cameras and 24-hour on-site management staff will be provided to further enhance security.

The .78-acre parcel on Overhill Drive is proposed to be subdivided into three 11,000 square foot lots to allow the construction of three single-family homes. Each home would maintain vehicular access on Overhill Drive and include an attached two-car garage. Additionally, a pedestrian pathway with public access easement would be constructed between Lots 3 and 4 to provide access between Mission Boulevard and Overhill Drive.

Architecture. Each of the residential structures would be built to the maximum 57' height limit, while incorporating different finished floor elevations that reflect the topography of the existing hillside. The architect, Dahlin Group, has designed each of these buildings to reflect a "contemporary California Spanish" architecture and incorporated a three-tone color palette with a variety of materials and textures to create more articulated façades. The dark brown cementitious trim, panel and siding on the top floor creates a stark contrast with the off-white stucco wall planes and helps to break up the overall building mass. To avoid monotony, the architect has incorporated windows with awnings and trellises, which provide shade on south and south-west facing walls.

All the residential buildings incorporate some variations and offsets in the rooflines, wall planes, windows and the overall building mass, scale and height to minimize impacts to existing view corridors on and off-site. While some of the view corridors along Overhill Drive will be negatively impacted, the finished floor elevations for Building C have changed to minimize grading impacts.

Despite efforts to step the building with the natural topography, the project proposes several retaining walls, which are required to build on the hillside. Per the HDG, "*all developments should minimize grading and the use of retaining walls. If retaining walls are unavoidable, they should be designed with native rock or should exhibit a natural-looking texture or veneer. Walls should be buffered with landscaping.*" Staff notes that the most significant retaining walls include a 16-foot high retaining wall located on the northwest corner of the lot; and a landscaped, stepped wall located behind Lots 2, 3 and 4. While the landscaped wall will mostly be shielded from public view behind Building C, several other retaining walls will be visible from around the project site. While many of these retaining walls are necessary to stabilize the soil, the applicant should continue to look for ways to minimize site grading and reduce the wall heights. Overall, staff supports the proposed site improvements and believes findings can be made to support the Site Plan Review and Grading Permit.

For the single-family homes, the design is slightly more contemporary and modern, using stucco and glass panels that provide views to San Francisco Bay. The homes are designed to appear as one-story from Overhill Drive but features a two-story rear elevation with walk-out basement. Although the homes feature approximately 4,300 square feet of living space, they each propose a different front elevation, incorporating stone veneers and a multiple color palette to reflect a more "custom home" appearance, consistent with policies of the City's Hillside Design and Urban/Wildlife Interface Guidelines.

Parking & Vehicular Circulation. The South Hayward BART Form-Based Code (FBC) limits the amount of parking for each residential condominium to 2.0 spaces per unit and requires the project to include 10% of the total spaces for visitor parking and additionally

provide short and long-term bicycle parking. As proposed, the project is providing 259 parking spaces, including 28 visitor spaces and 72 bicycle spaces (18 short- and 54 long-term) and will install electric vehicle charging stations within the ground level garage.

Access to the larger site would be from a two-way, 26-foot wide private drive aisle from Mission Boulevard that provides access to an open, unrestricted parking area for visitors and leads residents to a secured parking area beneath each residential building. The driveway has been designed to accommodate loading trucks and service vehicles as well as emergency vehicles and larger fire apparatus. A turn-around area and designated loading zone near Building B will also provide residents and visitors easy access to the main lobby without impacting site circulation. Additional parking spaces located adjacent to the main drive aisle will provide overflow parking and serve as the primary staging area for trash pickup on site.

Pedestrian Circulation. The project includes installation of frontage improvements (sidewalks, curb/gutter and ADA ramps) along Mission Boulevard and includes a series of internal pedestrian pathways that allow for significant pedestrian circulation around the site. One pedestrian pathway would lead from the three single-family homes on Overhill Drive and extend through the project site, connecting to Mission Boulevard. The internal pedestrian pathways and sidewalks would range from four to eight feet in width and would be differentiated from driveway aisles by scored, colored concrete and generally lined with landscaping and shade trees.

Additionally, an 8' wide multi-modal trail is proposed to run north and south and connect with the vacant parcels yet to be developed. Per the City's conditions of approval, staff is recommending this facility be constructed to Class I facility standards and provide a trail that accommodates both bicyclist and pedestrian modes. The proposed multi-modal pathway would be part of a dedicated public access easement (PAE) that would also contain decorative landscaping, pedestrian level lighting and benches.

Landscaping, Open Space and Tree Removals. A preliminary landscaping and open space plan has been submitted proposing a variety of new trees, shrubs and groundcovers. Per the FBC, developments within the T4 zone are required to provide a minimum of 15% of the site for open space. As currently shown, the project is proposing nearly 74,000 square feet (34%) of open space, which will be provided as both private and public open space areas. Bio-retention areas have also been integrated throughout the site, including the podium level garden areas and around the perimeter of the site.

A plant palette, planting plan, and irrigation plan also have been provided for those areas. The emphasis for plant materials would be on those that are native and/or drought tolerant and trees would be planted around various areas on the project site, including the outdoor gardens, some perimeter landscaping and on the terraced wall that includes property on the single-family lots and the larger multi-family site.

Accent paving and stamped concrete would be installed at many locations on the project site, including the main private driveway from Mission Boulevard and at various parking areas. Accent paving would also be applied at various locations to help define the

crosswalks that lead from the parking areas to the building entrances as well as entrances from the indoor parking garages, which are at ground level. Additional accent paving and colored concrete would highlight the walkways around the site, including the multi-user trail facility that will run between Building A and B.

An Arborist Report was prepared for the project site that evaluated 24 trees subject to the City's Tree Preservation Ordinance. The total value of the trees proposed for removal is \$49,950. While the replacement landscaping will need to mitigate the loss, staff continues to work with the applicant to refine the landscaping plan to ensure compliance with the Tree Preservation Ordinance and the City's Water Efficiency Landscape Ordinance.

Construction Phasing. The project is proposed to be constructed in three phases. Phase one includes the grading, utility installation, site improvements and building foundations for the three superstructures. Phase two includes the construction of Building B, which contains many of the project amenities. Phase three includes the construction of Buildings A and C and the construction of the three single-family dwellings on Overhill Drive. Although the anticipated start date of Phase one is shortly after project entitlements, the total duration of project construction is expected to last thru September 2019.

Zoning Ordinance. The RSB10 zoning district allows for single-family residential units on lots with a minimum of 10,000 square feet in area. Per Hayward Municipal Code (HMC) Section 10-1.205, the RS District is intended for single-family homes and the community service uses appurtenant thereto as permitted in the Zoning Ordinance. As proposed, each of the single-family homes meet the development standards of the RSB10 zoning district related to minimum lot size, setbacks, lot coverage, building height and required parking.

South Hayward BART/Mission Boulevard Form Based Code. Although the project meets most of the development standards required in the South Hayward BART/Mission Boulevard FBC, the project will require several entitlements, including a Zoning Text Amendment to remove the New Thoroughfare designation, two Warrants for the subdivision of land and the maximum lot size, and one Exception for having more than one principal building on a lot and having the primary entrance not placed on the primary street frontage. More information on these entitlement requests are detailed below.

Zoning Text Map Amendment. The project requires a Zoning Text Map Amendment of the South Hayward BART FBC's Thoroughfare Plan (Figures 1-2 and 1-3) to remove the *New Thoroughfare* roadway designation from the project site. The applicant is requesting the Text Amendment due to the existing site constraints (topography and fault line), the unique characteristics of the residential use proposed, and the proximity of the New Thoroughfare to Mission Boulevard.

In exchange for the removal of the *New Thoroughfare* designation, the applicant will construct a new bicycle and pedestrian trail within a public access easement that would provide safe pedestrian access between the project site and adjacent sites to the north and south. Staff believes the recent modifications to the multi-user facility is consistent with the City's Complete Communities and Complete Streets Initiatives, which support the

expansion of new bicycle and pedestrian facilities that connect neighborhoods and has included a more detailed analysis in the required findings, included as Attachment V. A copy of the proposed *New Thoroughfare Plan* (Figures 1-2 and 1-3) are included as "Exhibit A" to Attachment III.

Warrants. A *Warrant* is a deviation that would permit a practice that is not consistent with a specific provision of the FBC, but is justified by its ability to fulfill the FBC's intent while not compromising its goals, policies and actions.

Per Section 10-24.280.c.iii (Subdivision Standards) of the FBC, condominium subdivisions containing more than one building shall include nominal parcels conforming to lot width standards in the FBC. As proposed, the condominium project will not result in the creation of a nominal parcel which conforms to the required lot width standards. As such, the project will require a warrant.

Similar to the Subdivision Standard listed above, Section 10-24.280.c.iv (Subdivision Standards) of the FBC requires that new developments on a pre-existing parcel which exceed the maximum lot width shall not occur unless the parcel is first subdivided to provide for parcels that conform to the FBC. Although the FBC does allow lot line adjustments and lot mergers for parcels not conforming to the lot width requirements to occur so long as they bring the parcels closer to conformance, the proposed lot merger for the Mission Seniors project would only *increase* the lot width and exacerbate the existing non-conformity. As such, a warrant is required. To approve a warrant, the City Council will be required to make the following findings:

- Policy Consistency. The Warrant is consistent with the General Plan and overall objectives of this Code.
- Compatibility. The Warrant is justified by environmental features or site conditions; historic development patterns of the property or neighborhood; or the interest in promoting creativity and personal expression in site planning and development.
- No Adverse Impact. The Warrant would result in development that is not detrimental to the public health, safety, or welfare, or injurious to the property or improvements in the vicinity and in the same zoning district.
- Special Privilege. The Warrant would not affect substantial compliance with this Code or grant a special privilege inconsistent with the limitations upon other properties in the vicinity and in the same zoning district.

The applicant has indicated that the unique character of the project type and the need to consolidate the project amenities/services on one parcel as the justification for the warrants. If the buildings were placed on separate parcels, it would create service and operational issues for the project as well as result in several areas or parcels being undeveloped and unusable due to the steep topography and requirement for a 50-foot wide "building exclusion zone."

Staff believes that based on the topography on the project site and the additional 50' setback requirement from the fault zone, the warrant is justified due to the existing environmental conditions and is in the best interest of the project to create a connected, walkable and safe residential community for seniors. The warrant would allow a more

coordinated and cohesive community which is ADA accessible and provides the services and amenities that promote healthy living.

Additionally, staff believes that in this case, subdividing the existing parcels to meet the lot size requirements of the Form Based Code, coupled with the existing hardships related to topography and other site conditions, would substantially limit the redevelopment of the site and create a series of smaller buildings which would impact the project objective, which is to provide a coordinated, connected and comprehensive development for senior residents. Subdividing the parcel would create service and operational issues for the project, result in several undeveloped or unusable parcels, and substantially escalate construction and project costs, which would impact the viability of the redevelopment. Staff has provided a more detailed justification of the proposed warrants with the draft Resolution, included as Attachment II.

Exception. An *Exception* is a deviation that would permit a practice that is not consistent with a specific provision of the FBC that is critical to the furtherance of its goals, policies and actions.

Per Section 10-24.225.a (Building Disposition) of the FBC, the placement of one principal building along the frontage of each lot is required and the principal entrance for that building shall be located on a frontage line. Because the project is proposing more than one principal building on the lot and because the main lobby for the project is not located along Mission Boulevard, an *exception* will be required. To approve an Exception, the City Council will be required to make the following findings:

- Uniqueness. That there are unique physical conditions, including irregularity, narrowness or shallowness of Lot size or shape, or exceptional topographical or other physical conditions peculiar to and inherent in the lot; and that, as a result of such unique physical conditions, practical difficulties or unusual hardship arise in complying strictly with the standards of this Code.
- Self-Created Hardship. That the practical difficulties or unnecessary hardship claimed as a ground for an Exception have not been created by the owner or by a predecessor in title. However, where all other required findings are made, the purchase of a Lot subject to the restrictions sought to be varied shall not itself constitute a self-created hardship.
- Minimal Deviation. That within the intent and purposes of this Code, the Exception, if granted, is the minimum deviation necessary to afford relief; and to this end, the Council may permit a lesser variance than that applied for.
- Neighborhood Character. That the Exception, if granted, will not alter the essential character of the neighborhood or Zone in which the Lot is located; will not substantially impair the appropriate use or development of adjacent property; and will not be detrimental to the public welfare.

While the FBC limits the placement of one primary building per lot, the project is proposing three large structures on the project site, with each building having their primary entrance from the private driveway that serves the site. None of the buildings are proposing their principal entrance along Mission Boulevard, which is what the Form Based Code envisions for a pattern of development consistency along the Corridor.

Due to the unique geometry and topography of the site, coupled with the practical difficulties and safety issues associated with having only one primary building with the principal entrance on Mission Boulevard, the project is proposing three separate buildings that step with the topography and has incorporated their primary building entrance from the internal driveway proposed for the site. Staff supports the proposed location of the primary entrance and believes the location for this resident population will require special consideration related to access to ADA parking stalls and compliant curb ramps. Additionally, the lot is steep and is both narrow and deep, which creates operational and practical challenges which are unique to this senior housing development. Staff has provided a more detailed justification of the requested exception with the draft Resolution, included as Attachment II.

Vesting Tentative Tract Map. An application for a Vesting Tentative Tract Map 8394 has been submitted that would reconfigure and merge three parcels on Mission Boulevard to create two parcels for the larger multi-family project: one parcel for the 200 air-space condominium units, access easements and public common areas; and the second parcel for the maintenance and provision of project services which would not fall under the responsibility of the HOA. Additionally, the applicant will subdivide the .78-acre parcel on Overhill Drive to create three new lots, allowing for three new detached single-family dwellings.

The HOA would be responsible for maintaining the exterior of the structure, parking areas, common area landscaping, common or communal areas within the structure, on-site environmental (bioretention) areas, and any building systems. Property ownership within the condominium areas of the project will require participation in an incorporated Homeowner's Association (HOA) and adherence to the Conditions, Covenants & Restrictions (CC&Rs) recorded with the subdivision. The CC&R's will also contain a standard condition that if the HOA fails to maintain the common areas, private driveway, lights, and utilities, the City of Hayward, after adequate notice, will have the right to enter the subdivision and perform the necessary work to maintain these areas and lien the properties for their proportionate share of the costs.

Conditions of Approval typically attached to a Vesting Tentative Tract Map include improvement plans and subdivision agreements entered with the Applicant or Developer. The purpose of a Vesting Tentative Tract Map is to establish the right to proceed with the proposed project in substantial compliance with the ordinances, policies, and standards in effect on the date the vesting tentative tract map is deemed complete.

The existing utilities in the project vicinity, including sanitary sewer, water and storm drain systems, have sufficient capacity to adequately serve the proposed development. On-site sewer and water utilities will be installed within new public utility easements granted as part of the subdivision map process. The project also is required to construct and maintain bio-treatment and storm water collection systems subject to clean water measures. Any overhead utility lines, as well as any new utility lines, will be required to be placed underground as part of the site improvements. The proposed on-site circulation system has been reviewed by the fire department and determined to be adequate for access by

safety vehicles and apparatus. A copy of the Vesting Tentative Tract Map is included within the Project Plans (Attachment V).

Hayward 2040 General Plan. The 5.58-acre project site contains two different General Plan land use designations. The larger 4.8-acre site is designated Sustainable Mixed-Use and the smaller .78-acre site is designated LMDR, Limited Medium Density Residential in the *Hayward 2040 General Plan*.

The Sustainable Mixed-Use (SMU) land use designation generally applies to areas near regional transit that are planned as walkable urban neighborhoods. Typical building types will vary based on the zoning of the property, but will generally include single-family homes, duplexes, triplexes, fourplexes, second units, townhomes, live-work units, multi-story apartment and condominium buildings, commercial buildings, and mixed-use buildings that contain commercial uses on the ground floor and residential units or office space on upper floors. Sustainable Mixed-Use areas are expected to change substantially in the future, as properties are planned to be developed or redeveloped at relatively high densities and intensities to create walkable and mixed-use neighborhoods and multi-modal corridors. Typical densities in the Sustainable Mixed-Use land use designation range from 4.3 dwellings per acre to 100 dwellings per acre. As proposed, the Mission Seniors project proposes 41.6 dwellings per acre (with density bonus), which is consistent with the permitted densities of both the FBC and the *Hayward 2040 General Plan*.

The Limited Medium Density Residential (LMDR) land use designation of the General Plan generally applies to suburban areas that contain a mix of housing types. Typical building types include single-family homes, second units, duplexes, triplexes, fourplexes, townhomes, apartment and condominium buildings. As proposed, each of the two-story, single-family homes meet the development standards of the RS zoning district and are consistent with the LMDR land use designation of the *Hayward 2040 General Plan*.

While the General Plan contains several policies that support the redevelopment of these sites for residential uses, there are policies in the General Plan that support the various project entitlements, including the zoning text amendment, the warrants, exceptions and site plan review. Specifically, the proposed development is consistent with the General Plan goals and policies including, but are not limited to the following:

- *LU-1.4* which calls for revitalization and redevelopment of abandoned and underutilized properties to accommodate growth;
- *LU-1, and Policies LU-1.3 and LU-1.5*, which direct population and employment growth to infill sites in close proximity to transit and within identified Priority Development Areas;
- *M-8 and M-8.4*, which support multimodal transportation choices as well as transportation demand management (TDM) programs to reduce single occupancy automobile trips by locating mixed use development and high-density housing close to transit and jobs;
- *H-4.1 Flexible Development Standards*: The City shall review and adjust as appropriate residential develop standards, regulations, ordinances, departmental processing procedures, and residential fees that are determined to be a constraint

on the development of housing, particularly housing for lower- and moderate-income households and for persons with special needs;

- LU-3.6 Residential Design Strategies: The City shall encourage residential developments to incorporate design features that encourage walking within neighborhoods;
- M-1.6 Bicycling, Walking and Transit Amenities: The City shall encourage the development of facilities and services that enable bicycling, walking and transit use to become more widely used modes of transportation and recreation; and
- M-3.9 Private Complete Streets. The City shall encourage large private developments to provide internal complete streets that connect to the existing public roadway and provide a seamless transition to existing and planned transportation facilities.

Mission-Garin Neighborhood Plan. This plan was approved in 1987 and appears to be somewhat obsolete with minimal influence on the planning of future projects but many of the aspects of the Mission-Garin Neighborhood Plan have been incorporated into the South Hayward BART/Mission Boulevard Form Based Code and the Hayward 2040 General Plan.

Density Bonus. As proposed, the applicant is requesting a Density Bonus to increase the maximum number of dwelling units from 35 to 42. Per Section 10-19.130.c of the HMC, the City shall grant a Density Bonus when the Applicant for a residential development project agrees to construct a residential development project meeting the requirements and definition of a Senior Citizen Housing Development. For a Senior Citizen Housing Development project, the density bonus is 20%.

Following review of the City's Density Bonus Ordinance and the California Civil Code, the project would be eligible for a 20% density bonus from the density maximum established in the South Hayward BART FBC. In this case, the FBC allows up to 35 dwelling units per acre but the 20% density bonus would increase that number to 42 dwellings per acre. The Mission Seniors project, as currently shown, proposes 41.6 dwellings per acre, which falls within the maximum density bonus allowed for the site.

Affordable Housing. Residential projects which contain twenty (20) or more dwelling units are required to comply with the City's Affordable Housing Ordinance (Article 17 of the Zoning Ordinance). Applicants for residential projects may comply by several methods. The most common is payment of a Housing Impact Fee or direct sale or rent to qualifying low and moderate-income households. The method of choice shall be specified with the application. For this project, the Applicant has proposed payment of the fee.

Pursuant to City Council action on November 7, 2017, if a project is entitled prior to the effective date of the new Ordinance, February 1, 2018, a project is subject to the existing ordinance and much lower fees. If the project is entitled after February 1, 2018 and pulls building permits within 2 years, by January 31, 2020, those projects would be permitted to pay ½ the newly established fee. Projects not meeting the criteria described above will be subject to the new ordinance and new fees. The Mission Seniors project application was deemed complete in October 2017 and will receive its entitlements if the Council approves the recommendations outlined in this report; therefore the project is grandfathered in to the lower fee structure, as approved by Council.

The Housing Impact Fee for the 200 attached condominium units per the City's current Master Fee Schedule is \$3.87 per square foot of habitable space and \$4.61 per square foot of habitable space for the three single-family homes. At a habitable square foot area of 231,312 square feet for the condominiums (\$895,177) and 12,858 square feet for the single-family homes (\$59,275), the Housing Impact Fee paid to the City would be \$954,452. The requirement to pay the Affordable Housing Impact Fee is included as a Condition of Approval and may be paid prior to issuance of building permits and approval of the Final Map. An option is available where payment of the fee may be postponed until issuance of the Certificate of Occupancy. In that case, the fee for single-family attached units is increased by 10% from \$3.87 per square foot to \$4.28 per square foot and for single-family detached from \$4.61 per square foot to \$5.06 per square foot. Regardless of the payment option chosen, no final inspection will be approved and no occupancy permit will be issued for any dwelling unit unless all required Housing Impact Fees have been paid in full.

Parkland In-Lieu and Fee Credit. In total, the project is proposing nearly 74,000 square feet (34%) of open space which will be provided as private open space and recreational areas. Pursuant to HMC Section 10-16.32, where a private park and recreational area is provided in a development and such space is to be privately owned and maintained by the owners of the development, partial credit may be allowed against the total land dedication and/or in-lieu fees required under this article if the City finds that it is in the public interest to do so.

To receive a credit, qualifying private park and recreational areas shall equal at least twenty-five percent (25%) of the total parkland dedication requirement for the development or 2,400 square feet, whichever is the greater amount. The amount of credit may be based on the percentage of the required parkland that is provided through private park and recreational areas, but shall not exceed fifty percent (50%) of the land dedication requirement or in-lieu fee.

The project recreational amenities, as shown in the site plan, meet the requirements for credit for private recreation improvements and therefore would qualify for the parkland credit to the dedication requirements. Hayward Municipal Code (HMC) Chapter 10, Article 16, Property Developers – Obligations for Parks and Recreation sets forth the parkland dedication requirements for private development:

- Pursuant to HMC Section 10-16.21, the land dedication requirement is 748 square feet for the three, single-family detached units and 713 square feet for the 200 condo, single-family attached units for a total of 3.32 acres (144,844 square feet).
- Pursuant to HMC Section 10-16.30, the fee in lieu of dedication requirement for the single-family detached units is \$35,859 and single-family attached units is \$2,279,000 for a total of approximately \$2,314,589 in fees.

The project is proposing both indoor and outdoor recreational amenities for the Mission Seniors project. The indoor recreational amenities would remain privately owned by the applicant and as such, would be subjected to a recorded access and use restriction. The indoor recreational amenities include:

• Game Room	1,048 square feet
• Art Studio	1,161 square feet
• Activity Room	785 square feet
• Fitness Center	726 square feet
• Jacuzzi/Locker Room	796 square feet
<i>TOTAL INDOOR AREA</i>	<i>4,516 square feet</i>

The outdoor recreational amenities would be privately owned and maintained by the future homeowner’s association on site. The outdoor recreational amenities include:

• Outdoor Lounge Area(s)	4,547 square feet
• Pool and Pool Deck	3,395 square feet
• Outdoor Dining Area	4,092 square feet
• Landscaped Planter(s)/Fountain	6,855 square feet
• Vegetable Gardens	2,252 square feet
• Orchard Tree Garden	1,107 square feet
• Pickle-Ball Court & Cabana	4,916 square feet
• Courtyards & Open Space(s)	5,006 square feet
<i>TOTAL OUTDOOR AREA</i>	<i>32,170 square feet</i>

Based on the amount of private recreation space provided, the applicant is seeking a partial credit for the private recreational amenities, which include 4,516 square feet of indoor recreational areas (game room, art studio, activity room, fitness center, jacuzzi and locker room) and 32,170 square feet of outdoor recreational areas (outdoor lounge, several landscaped courtyards, a pool, outdoor dining area, pickle-ball court and several terraced gardens). The total amount of private indoor and outdoor recreational amenity space is 36,686 square feet, equal to 25% of the total amount of parkland area required. In addition to the private recreational amenities, the applicant is providing other site amenities that enhance the project, including a senior lounge/library, dog washing room, medical consultation room and an on-site hair salon. If approved by Council, the applicant would receive credit for .84-acres of private recreational space provided or a credit of \$578,715 from the total fee required.

On October 23, 2017, the Hayward Area Recreational District (HARD) voted unanimously to recommend that Council approve the credit to the parkland impact fees. If approved, a deed restriction would run with the land that requires the applicant maintain these private recreational facilities for the residents. A copy of the private recreational amenity space exhibit eligible for the Park In-Lieu Fee Credit is included as Attachment VI.

Hillside Design and Urban/Wildlife Interface Guidelines. The Mission Seniors project is located on hillside parcels subject to the *Hillside Design and Urban/Wildlife Interface Guidelines* (HDG). Any grading on these parcels with slopes greater than 20% will require the issuance of a Grading Permit by the City Council. The applicant submitted a Geotechnical Report (Cornerstone Earth Group, January 2017) that identifies mitigation measures and construction methods required to build the project on this site, including the

construction of multiple retaining walls and establishing a 50-foot “building exclusion zone” due to a potentially active earthquake fault.

CEQA Environmental Infill Checklist. On September 13, 2011, the Hayward City Council certified the South Hayward BART/Mission Boulevard Form-Based Code Supplemental EIR (SEIR). This document tiered from the 2006 South Hayward BART/Mission Boulevard Concept Design Plan EIR and the 2009 Route 238 Bypass Land Use Study Program EIR.

Senate Bill (SB) 743, enacted in 2013, amended CEQA to provide that “aesthetics and parking impacts of a residential, mixed-use residential, or employment center project on an infill site within a transit priority area shall not be considered significant impacts on the environment.” Aesthetics and parking will no longer be considered in determining if a project has the potential to result in significant environmental effects, provided a project meets the following three criteria:

1. The project is in a transit priority area; and
2. The project is on an infill site; and
3. The project is residential, mixed-use residential, or an employment center.

Based on staff analysis, the project meets the above criteria as it is within 0.5 miles of the South Hayward BART Station, is in an urban area that has previously been developed, and is a residential project. Additionally, because of the project’s consistency with SB 743 criteria, aesthetics issues are not considered to be impacts under CEQA and are not addressed in this Infill Checklist.

The project’s environmental assessment was completed using a CEQA Infill Checklist (Attachment IV), which tiers off the South Hayward BART/Mission Boulevard Form-Based Code SEIR. The checklist concludes that the Mission Seniors project would *not* have any significant effects on the environment that either have not already been analyzed in a prior EIR or that are more significant than previously analyzed, or that uniformly applicable development policies would not substantially mitigate. Pursuant to Public Resources Code Section 21094.5, the California Environmental Quality Act (CEQA) does not apply to such effects. The Infill Checklist has been prepared in accordance with Public Resources Code Section 21000 et seq. and the CEQA Guidelines, California Code of Regulations Section 15000 et seq.

An Infill Checklist is prepared by a lead agency to streamline the environmental review process for eligible infill projects by limiting the topics subject to review at the project level where the effects of infill development have been addressed in a planning-level decision or by uniformly applicable development policies. In accordance with CEQA Guidelines Section 15183.3, if the infill project would result in new specific effects or more significant effects, and uniformly applicable development policies or standards would not substantially mitigate such effects, those effects are subject to CEQA. With respect to the effects that are subject to CEQA, the lead agency is to prepare an infill EIR if the written checklist shows that the effects of the infill project would be potentially significant.

In this case, no further environmental review is required because this infill project would not cause any new specific effects or more significant effects not already analyzed under

the aforementioned EIRs and because the applicable development policies and standards substantially mitigate such effects.

FISCAL AND ECONOMIC IMPACTS

While a fiscal impact analysis for the proposed project was not prepared, it is anticipated that the project will generate additional property taxes based on the sales price of the condominium units. Currently, the applicant anticipates the cost of new units will range from \$570,000 for a one-bedroom condo up to \$850,000+ for a three-bedroom unit. However, the impact and amount of the property taxes may fluctuate based on market price. In any event, new residents should generate demand for goods and services, thereby providing stimulus for new or existing jobs in the City's economy. Additionally, the project will be required to pay impact fees for parklands and affordable housing totaling nearly \$2.7 million.

STRATEGIC INITIATIVES

This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving, promising place to live, work and play for all. This item supports the following goals and objectives:

- Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.
 - Objective 2: Foster a sense of place and support neighborhood pride
 - Objective 4: Create resilient and sustainable neighborhoods.

- Goal 2: Provide a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing opportunities and resources.
 - Objective 2: Facilitate the development of diverse housing types that serve the needs of all populations.

SUSTAINABILITY FEATURES

The City's General Plan places an emphasis on sustainability and requires the integration of sustainability enhancements in all new development. The project serves the objective of concentrating higher density housing near public transit facilities. This project is within walking distance of the BART station, commercial shopping, restaurants, and drug stores.

The proposed project has undergone an initial GreenPoint rating process to quantify sustainable building and site elements. Per the checklist prepared for the project, the proposed development would achieve GreenPoint certification with a total of 104 points, where a minimum of 50 points is needed. Sustainable site and building elements include, but are not limited to, the installation of highly efficient appliances and fixtures, expanded bicycle and pedestrian access, low-emitting flooring, and use of recycled materials within the building construction. Additionally, the project will include vehicle charging stations

within the parking garages, provide solar thermal heating to pre-heat water, incorporate bio-retention areas to prevent storm water pollution and introduce a recycling plan to assist with compliance of the City's recycling goals.

PUBLIC CONTACT

On February 28, 2017, a Notice of Preliminary Meeting was sent to all property owners, public agencies and interested stakeholders located within a 300-foot radius of the project site, including the Mission-Garin Neighborhood Association. Three members of the public attended the meeting and all expressed support for the project. On June 11, 2017, a Notice of Public Hearing for the Planning Commission Work Session was sent to all property owners and interested stakeholders within a 300-foot radius of the project site and on October 29, 2017, a Notice of Public Hearing was circulated to all property owners and interested stakeholders within a 300-foot radius of the project site. Additionally, a legal ad was published in the East Bay Times on Friday, October 27, 2017 and following publication, staff received two letters of support from adjacent neighbors. The letters of support were circulated to the Planning Commission and entered into the public record.

On December 1, 2017, a Notice of Public Hearing was circulated to all property owners and interested stakeholders within a 300-foot radius of the project site and a legal ad was published in the East Bay Times on Friday, December 1, 2017. No comments have been received since the City Council public hearing notice was mailed and the legal ad published.

NEXT STEPS

Should the Council approve the project, the Applicant will be required to incorporate project conditions of approval and prepare revised plans as recommended so that staff may review prior to submittal of Final Map approval by the City Council. If approved by the City Council, the Applicant may submit grading and building permit applications. Permits may be issued upon compliance with any appropriate conditions of approval and payment of applicable fees.

Prepared by: Jeremy Lochirco, Principal Planner

Recommended by: Stacey Bristow, Interim Director of Development Services

Approved by:



Kelly McAdoo, City Manager