

**DATE:** May 4, 2021

**TO:** Mayor and City Council

**FROM:** Assistant City Manager/Development Services Director

**SUBJECT:** Home Avenue Single Family Residence: Adopt a Resolution Approving a Site

Plan Review and Grading Permit Application for Proposed Single-Family Residence and Attached Accessory Dwelling Unit on a Vacant 0.21-Acre Hillside Lot with an Average Slope Greater than 20% Located at 2579 Home Avenue, Assessor Parcel No. 081D-1660-040-00, Application No. 202000579, Bich-Khoi

Do (Applicant) and Bradley Switzer Trust (Owner)

#### RECOMMENDATION

That Council adopts a resolution (Attachment II) approving the Site Plan Review with Grading Permit application for the proposed single-family residence and attached accessory dwelling unit on the vacant hillside parcel located at 2579 Home Avenue, based on the required Findings and subject to the Conditions of Approval.

## **SUMMARY**

The applicant is requesting approval for a Site Plan Review (SPR) with Grading Permit application to allow the construction of a multi-level, 3,777- square-foot single-family residence with an attached 1,196-square-foot Accessory Dwelling Unit (ADU) with related on- and off-site improvements on a 0.21-acre (9,301 square-foot) vacant hillside parcel located at 2579 Home Avenue, Assessor Parcel No. 081D-1660-040-00.

Normally, Site Plan Review applications for single-family residences within the hillside areas are subject to administrative staff level review. However, the City Engineer determined the average slope of the property exceeds 20% which requires City Council review for the Grading Permit per Section 10-8.023 of the Hayward Municipal Code. The project was reviewed by the Planning Commission at a public hearing on January 28, 2021 who voted 4:2 to recommend approval of the project. The project was subsequently reviewed by the Council at a hearing on March 2, 2021 **and the project was continued** to May 4, 2021 **with a vote of 6:0** to allow the Old Highland Homeowners Association (OHHA) and project proponents to meet and discuss the application. In response to Council direction, the following efforts were made:

• On March 11, 2021, City staff met with the property owner, Bradley Switzer, and the project architectural designer, Bich-Khoi Do, to review the comments and feedback shared by the community during the March 2<sup>nd</sup> public hearing. City staff shared design suggestions that the property owner and designer could consider incorporate into the

- project's revised design to alleviate some concerns expressed by the OHHA neighborhood.
- On March 16, 2021, City staff met with John Vukasin and Robert "Bob" Carlson from the OHHA board to discuss the design of the proposed residence and overall concerns expressed by their membership. During the meeting, OHHA discussed the importance of their 1998 Hayward Highlands Neighborhood Plan and conveyed concerns how the Hayward 2040 General Plan did not fully capture the strategies of the 1998 plan. After this meeting, Mr. Vukasin and Mr. Carlson discussed the project further with their membership on how to mitigate the concern of massing, scale, and bulk. OHHA proposed changes related to additional tree plantings, storm drainage improvements, reducing the size of the ADU and number of bedrooms, and converting the garage facing Home Avenue into a carport to reduce the appearance of the home.
- On March 31, 2021, the City moderated a Zoom meeting between staff, the property owner, project architectural designer, and Mr. Vukasin and Mr. Carlson as representatives and liaisons from the OHHA community to constructively discuss what design changes were feasible to appease the concerns of the community, while also meeting the topography and budget constraints of the property owner for his new residence. The architectural designer evaluated the suggestions provided by staff and by OHHA and provided responses on what was achievable and mutually beneficial between both parties. Ultimately, the property owner and designer proposed the following:
  - Increase the setback of the ADU's building line facing Home Avenue approximately 8'-8" along with reducing the sizes of the projecting decks and roof lines at the two uppermost levels (as viewed from Home Avenue).
  - O Positioning trees along the Home Avenue building façade to mitigate the mass of the structure while using local vegetation that blends in with the neighborhood. This is memorialized as Condition of Approval #5 to provide OHHA an opportunity to conduct a preliminary review of the final landscaping and irrigation plans prior to being submitted to the City for technical plan check review. Any feedback received from OHHA on the landscaping plans will be limited to informational only and will not be binding between the two parties.
  - O Installation of a drainage ditch across the project frontage via a 12-inch drainpipe to the satisfaction of the City Engineer. This will assist in mitigating any potential storm drainage concerns resulting from the increased amount of impervious surface area now on the parcel. This is included as Condition of Approval #30 and will be further verified and reviewed as part of the project's technical grading and building permit plan review phase.
- On April 6, 2021, City staff received a letter from OHHA Chair that OHHA is amenable to the project progressing forward provided that the project incorporates the three changes mentioned above, although their association remains opposed to the development due to the size and scale of the proposed construction and the

development's incompatibility with the hillside neighborhood.

- On April 21, 2021, the project architectural designer informed the Planning Division that an unintended erroneous typo was made on the cover sheet of the previous architectural plans that incorrectly stated that the conditioned floor area of the main house was 3,522 square feet and should have noted 3,882 square feet instead. Nevertheless, per the changes noted above, the total conditioned and unconditioned gross floor area of the main home and ADU was reduced by approximately 340 square feet to soften the massing and scale of the structure. Of that amount, 105 feet was removed from the conditioned floor area of the main home and the remaining amount was shaved off from the building's unconditioned floor area which included the projecting decks and enclosed storage areas.
- Additionally, the Planning Division will be initiating an effort to convert the City's subjective design guidelines into objective standards to comply with state requirements. As part of this process, City staff intends on engaging with OHHA to extrapolate strategies within the 1998 neighborhood plan and update them into enforceable language to minimize the potential of incompatible residential developments in the future while promoting attractive and neighborhood cognizant architecture. In addition, as part of the required Housing Element update, the City will review all neighborhood plans to ensure that policies and goals that were developed by community members are thoughtfully carried into the General Plan, as appropriate. As part of the initiation of these efforts, staff is meeting with OHHA board members on April 30th for a tour of the neighborhood.

## **BACKGROUND**

Accessory Dwelling Units (ADUs). In 2016, the State of California enacted legislation pertaining to ADUs, codified as Government Code Section 65852.2, which significantly reduced barriers and zoning requirements related to their development in local municipalities. On January 1, 2020, updated state laws became effective with the goal to increase streamlining the approval process for ADUs by further limiting local discretionary review and allowing more flexibility in the development standards pertaining to unit sizes, utility requirements, setbacks, etc. Benefits of ADUs have been cited to alleviate the state's housing crisis by promoting infill housing units in residential neighborhoods, allow for multigenerational properties, and provide more affordable housing by design.

With respect to the proposed development, state law mandates that the zoning review of ADUs by local jurisdictions shall be limited to "ministerial approval". This means that *if* a proposed ADU on a residentially zoned parcel, with either an existing or proposed single-family residence, meets the objective criteria prescribed within state law relating to unit size, setbacks, lot coverage, parking, etc., then the city or county is required to approve the ADU without discretionary review.

<u>Senate Bill 330.</u> On January 1, 2020, Senate Bill (SB) 330 also known as the Housing Crisis Act of 2019<sup>1</sup> became effective which amended the Housing Accountability Act and Permit

<sup>&</sup>lt;sup>1</sup> Senate Bill 330 Text: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\_id=201920200SB330

Streamlining Act (state law) to streamline the development of housing projects that comply with the objective standards of the respective local jurisdiction. SB 330 is intended to streamline the production of housing to address the state's housing crisis by limiting the number of meetings or hearings required that a residential project is subject to five (5) meetings, and limiting project review to objective standards which are defined as, "those that involve 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 of this Council hearing date, this project would have undergone four meetings which include the Planning Commission hearing, the Council hearing, the moderated meeting between the City, applicant, and OHHA, and tonight's Council hearing (May 4, 2021).

<u>Planning Commission Hearing.</u> On January 28, 2021, the Planning Commission reviewed the proposed project at a virtual public hearing<sup>2</sup> via Zoom and voted 4:2 to approve the staff recommendation recommending approval to the Council with a revision to the conditions of approval that No. 39 is updated to reflect a 10-year storm to be reviewed by the City Engineer and recommended that the owner and Old Highland Neighborhood associations meet to discuss parking and other items. Three members of the community shared comments and concerns regarding parking, storm drainage, and who may be residing at the subject residence. The property owner, Mr. Switzer, confirmed that he would be residing the proposed dwelling and his extended family would reside in the ADU.

<u>City Council Hearing.</u> On March 2, 2021, the Council reviewed the proposed project at a virtual public hearing<sup>3</sup> and voted 6:0 (one member absent) to continue the project application to a date certain on May 4, 2021 to allow the project proponents and OHHA an opportunity to meet and discuss the project with the goal of alleviating some of the community's concerns. Agenda materials including the staff report, public correspondence, Planning Commission meeting minutes, and previous project plans are included within the footnote below. Ten members of the OHHA spoke during the public comment period in opposition to the proposed development citing incompatibility with semi-rural character of the neighborhood, inconsistency with the goals and strategies within the 1998 Hayward Highlands Neighborhood Plan, and the potential for storm drainage issues that may be caused by additional runoff from impervious surface areas. A copy of the Meeting Minutes is included as Attachment V.

# **DISCUSSION**

<u>Existing Conditions</u>. The 0.21-acre project site is a vacant, unimproved parcel of land with an average slope greater than 20% and with dual frontages along Home and Hillcrest Avenues. The topographic survey identifies an approximate 34-foot elevation difference from the top of the slope at the Hillcrest Avenue street-level downhill to the Home Avenue property line. The

<sup>&</sup>lt;sup>2</sup> January 28, 2021 – Planning Commission Hearing:

https://hayward.legistar.com/LegislationDetail.aspx?ID=4760598&GUID=2B490D61-FED8-468A-88F5-96777C5C3C07&Options=&Search=

<sup>&</sup>lt;sup>3</sup> March 2, 2021 - City Council Hearing: <a href="https://hayward.legistar.com/LegislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legistar.com/LegislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legistar.com/LegislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legistar.com/LegislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legistar.com/LegislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legistar.com/LegislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legistar.com/LegislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85393ADF402A&Options=&Search="https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-8539ADF402A&Options=&Search="https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-8539ADF402A&Options=&Search="https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-8539ADF402A&OptionSearch="https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-8539ADF402A&OptionSearch=#https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-8539ADF402A&OptionSearch=#https://hayward.legislationDetail.aspx?ID=4810982&GUID=C14A312D-E8F8-4EC6-874D-85400ADF402A&OptionSearch=#https://hayward.legislationSearch=#https://hayward.legislationSearch=#https://hayward.legislationSearch=#https://hayward.legislationSearch=#https://hayward.legislationSearch=#ht

project site is primarily surrounded by existing residential development along all property boundaries except for the vacant parcel at its southwestern corner. Thus, the proposed residential project will be located within an already established residential neighborhood consistent with the nearby structures and land uses.

<u>Proposed Project.</u> The applicant is proposing to construct a new, multi-level, single-family residence containing 5 bedrooms and 4 bathrooms with 3,777 square-feet of conditioned habitable floor area and an attached two-car garage accessible from Hillcrest Avenue. The main-level (street level) of the residence will include a bedroom, family and dining room, kitchen, and the two-car garage, while the upper-levels will include a laundry room, a media room, additional bedrooms and bathrooms, and private decks and patios for open space. In addition, the project will also include an ADU attached to the main home consisting of 2 bedrooms, 1 bathroom, a kitchen, living room, and private deck within about 1,196 square feet of conditioned habitable floor area and its own dedicated attached two-car garage accessible from Home Avenue. The upper-level decks and private open space amenities will offer views of California State University, East Bay, and the Bay Area.

Architecturally, the proposed residence incorporates a contemporary modern design aesthetic with flat and minimally sloped/angled roof pitches. Due to slope and how the structure steps down the hillside the view from Hillcrest Avenue (top of slope), the single-family residence will be designed to appear as a single-story structure from the street. The proposed residence would likely be wood-framed construction and the exterior will be finished with a combination of stone cladding wood siding and smooth stucco to complement the wooden slat railings on the various decks. The color palette for the residence will be a light-white body contrasted against the more earth tone wood siding, dark fascia boards, and stone veneer features. Lastly at its tallest points measured along the hillside, the residence is measured at 30-feet which is compliant with the zoning height limit standards.

<u>Site Improvements</u>. The proposed single-family residence will require on-site improvements to the subject property prior to the issuance of a Certificate of Occupancy. On-site improvements will include the installation of drought-tolerant landscaping, erosion control measures (during construction), and stormwater management features, and shall incorporate Best Management Practices (BMPs) for construction noise, grading and construction activities to prevent adverse negative impacts onto adjacent properties. Other site improvements would include new driveways along each frontage, concrete step pads for walkways, stairs, landscaping, and retaining walls.

Following two site visits before the March 2, 2021 City Council meeting between members of OHHA, the property owner, and City staff, the applicant agreed to add a Condition of Approval as part of the project to install a drainage ditch along the project frontage that will be maintained and extended to an existing drain across Home Avenue to assist in offsetting the potential storm drainage impacts properties in this hillside community experience. This condition has been added as Condition of Approval #30 within the attached resolution.

*Landscaping and Tree Removals*. The applicant has submitted a landscaping and irrigation plan (Attachment III). The landscape and irrigation plans include conceptual level drawings that

demonstrate compliance with the Bay-Friendly Water Efficient Landscape Ordinance (WELO) which requires sustainable landscaping practices by using drought-tolerant native species, appropriate irrigation methods, and water budget calculations. Much of the landscaping proposed on site will be near the proposed residence and include new tree planting, shrubs, and groundcovers along the side property lines of the project site and facing the street. A new pathway with steps from Hillcrest Avenue will extend downward along the hillside to Home Avenue along the western edge of the new residence.

The landscape plans and the arborist report identify one (1) existing Live Oak tree and one (1) existing Poplar tree which are proposed for removal and will require the issuance of a Tree Removal Permit to allow the construction of the new single-family residence at the project site. Pursuant to Chapter 10, Article 15 (Tree Preservation Ordinance)<sup>4</sup> the goal is to protect and preserve significant trees and control the re-shaping, removal or relocation of those trees that provide benefits for the neighborhood or the entire community while recognizing that there are rights to develop private property. Additionally, the Ordinance requires that any protected trees to be removed shall require on-site planting of trees with like-size, like-kind trees to meet or exceed the appraised value of the removed tree(s) as determined by a certified Master Arborist and reviewed by the City Landscape Architect. As proposed, the landscape plan includes four 24"-box trees to mitigate the loss of the trees to be removed: two Crape Myrtles, and Chinese Pistache trees. The landscaping and irrigation plans would be reviewed in greater detail during the building permit phase to ensure that all mitigation is adequate. Additionally, the City Landscape Architect will inspect the construction site to verify the trees are planted correctly with proper irrigation that will maximize the health of the trees.

Per the recommendation of the Council and OHHA, Condition of Approval #5 was added which requires that the project proponents submit the landscaping and irrigation plans to OHHA for preliminary review and feedback prior to formally submitting to the City's Permit Center for a grading and/or building permit application, whichever occurs first. The purpose of this condition is to allow OHHA to participate in the design of the final landscaping along Home Avenue, specifically the tree plantings, species, and vegetation to help screen and mitigate the mass of the proposed residence and incorporate a familiar planting palette that is consistent with the neighborhood. Comments provided by OHHA, if any, are not to be considered binding but rather shall be informational. The final landscaping and irrigation plan for the proposed project shall be subject to the review and approval of the City Landscape Architect to ensure adherence with the above-referenced ordinances and adopted landscaping standards.

<u>Site Plan Review.</u> Development on parcels within the designated Hillside Urban/Wildland Interface Area are subject to the Site Plan Review process and associated findings contained in Section 10-1.3025 of the Hayward Municipal Code<sup>5</sup>. This is to demonstrate that proposed

<sup>&</sup>lt;sup>4</sup> Tree Preservation Ordinance, Chapter 10, Article 15:

https://library.municode.com/ca/hayward/codes/municipal code?nodeId=HAYWARD MUNICIPAL CODE CH10PLZOSU ART15TRPR

<sup>&</sup>lt;sup>5</sup> Site Plan Review Findings, Chapter 10, Article 1: https://library.municode.com/ca/hayward/codes/municipal code?nodeId=HAYWARD MUNICIPAL CODE CH10PLZOSU ART1ZOOR S1 0-1.3000SIPLRE

developments, along with any site improvements, are consistent with the development standards of the RS zoning district, City's Hillside Design Guidelines, as well as the applicable General Plan goals and policies. Per the HMC, the City Council may approve or conditionally approve an application for Site Plan Review when all of the following findings are made:

- a) The development is compatible with on-site and surrounding structures and uses and is an attractive addition to the City;
- b) The development takes into consideration physical and environmental constraints;
- c) The development complies with the intent of City development policies and regulations; and
- d) The development will be operated in a manner determined to be acceptable and compatible with surrounding development.

Staff has provided a more detailed analysis for the required Site Plan Review findings for approval in the resolution (Attachment II).

<u>Grading Permit</u>. The project is subject to City Council review for the proposed grading since the average slope of the site exceeds 20%. Normally, Site Plan Review applications for singlefamily residences within the hillside areas are subject to administrative staff level review. However, the City Engineer determined the average slope of the property exceeds 20% which requires City Council review for the Grading Permit per Section 10-8.023 of the Hayward Municipal Code<sup>6</sup>(HMC). The applicant has submitted preliminary civil plans (grading, drainage, utility and erosion control plans) for the project that were reviewed by the City's Engineering Division. The applicant has also submitted a Geotechnical Report prepared by Gray Geotech (March 2019) which provides geotechnical recommendations that will be incorporated into the project's construction level plans by the applicant to mitigate any potential environmental impacts. The report identifies that the primary geotechnical concerns are the potential of downslope movement from erosion or creeping movement of the soil layer blanketing bedrock, shrink/swell movement of expansive soils, ground motions in a future seismic event, and managing both surface storm water and shallow groundwater. However, based on the findings of their investigation, the geotechnical engineers conclude that the property is suitable for the proposed site and landscape improvements provided the recommendation of the report are incorporated into the on-site construction and grading activities. Additionally, a standard set of conditions will include the review and approval of an erosion control plan; standards for import, export, and containment of construction materials; and a limitation on the days and hours of grading activity to minimize impacts on the surrounding neighborhood.

<u>Hayward 2040 General Plan.</u> The project site is designated as Low Density Residential (LDR) in the <u>Hayward 2040 General Plan</u><sup>7</sup>. Properties within the LDR land use designation predominantly consist of single-family residences, second units, and ancillary structures on lot sizes that generally range from 5,000 to 10,000 square-feet throughout the Hayward Planning Area. The General Plan indicates that future development within this land use area will

<sup>&</sup>lt;sup>6</sup> Grading and Clearing Ordinance, Chapter 10 Article 8:

https://library.municode.com/ca/hayward/codes/municipal\_code?nodeId=HAYWARD\_MUNICIPAL\_CODE\_CH10PLZOSU\_ART8GRCL\_S1

Low Density Residential, Hayward 2040 General Plan: https://www.hayward2040generalplan.com/land-use/residential

primarily consist of additional residential development, building and landscape improvements, and neighborhood enhancements.

The *General Plan* also provides goals and policies which serve as guiding principles and provide a host of strategies for future development in the City. The proposed project was evaluated against the applicable goals and policies and found to be consistent with the following:

- <u>Land Use Policy LU-1.7 (Design Guidelines)</u>: The City shall maintain and implement commercial, residential, industrial, and hillside design guidelines to ensure that future development complies with General Plan goals and policies.
- <u>Land Use Policy LU-3.7 (Infill Developments)</u>: The City shall protect the pattern and character of existing neighborhoods by requiring new infill developments to have complimentary building forms and features.

Staff has reviewed the project components and finds that the development is consistent with the goals and policies of the City's General Plan and the Hillside Design and Urban/Wildland Guidelines by proposing a residence which architecturally steps with the natural topography of the hillside and is compatible with the other dwellings in the area.

Zoning Ordinance. The project site is located within the RS (Single-Family Residential) zoning district. Pursuant to Section 10-1.2008, the RS zoning district allows for the development of a single-family residence as a primary use and an ADU as an ancillary use, both permitted byright. The project, as proposed, would allow the construction of a new single-family dwelling and attached ADU, which meet the following objective development standards. Table 1 includes a comparison chart displaying the development standard requirements with what is being proposed.

**Table 1: Development Standards** 

Criteria	Proposed	Required or Max. Allowed
Lot Coverage	37%	40%
Front Setback	29' (Home) and 20'-8" (Hillcrest)	20'
Side Yard	6'-9"	6'-9"
Rear Yard	29' (Home) and 20'-8" (Hillcrest)	20'
Parking	(2) Two-Car Garages = 4 Spaces	Three-Car Garage <u>or</u> Two-Car Garage plus 2 Uncovered Spaces
Driveway Length	20'	20'
Height	30'	30'

*Hillside Design and Urban/Wildland Interface Guidelines*. The project is located on a hillside parcel

<sup>&</sup>lt;sup>8</sup> Single-Family Residential District, Chapter 10, Article 1: https://library.municode.com/ca/hayward/codes/municipal code?nodeId=HAYWARD MUNICIPAL CODE CH10PLZOSU ART1ZOOR S1 0-1.200SIMIREDIRS

that is subject to the design standards of the Hillside Design and Urban/Wildland Interface Guidelines<sup>9</sup>. The purpose of the Hillside Design and Urban/Wildland Interface Guidelines is to seek to identify elements of good design which will enhance the appearance of the city and make the neighborhood more livable, while being conscious of the natural topographies and slopes. The proposed project has been designed to minimize impacts to the existing hillside and will be attractively designed to minimize visual impacts from adjacent properties and the street frontages, consistent with the Guidelines.

Staff Analysis. Staff finds that the proposed project is consistent with the development standards of the RS zoning district and the design requirements within the Hillside Design and Urban/Wildland Interface Guidelines in that the proposed development is designed to minimize excessive grading and blend into the existing slope. In addition, the proposed attached ADU on the site complies with the zoning development standards prescribed by State law. The proposed residence has been designed to reduce bulk and mass by stepping along the hillside through a series of outdoor decks and open area. The project includes a unique contemporary design aesthetic and will incorporate a mixture of materials including siding, stucco, and stone with a neutral contrasting color palette. In addition, the proposed landscaping along the street frontages and along the side of the residence, coupled with the sloped topography of the site, will also help to soften the bulk and mass of the proposed building, and minimize visual impacts from adjacent properties or from the public rights-of-way. As such, staff believes that the City Council can support the draft findings and approve the proposed project.

In addition, staff reviewed the Planning Commission's request to amend Condition of Approval #39 (now changed to #43 in Attachment II) with respect to storm drainage and planning for 10-year storm. However, upon reevaluation, staff has added a new Condition #33 requiring that the project shall not block runoff from, or augment runoff to, adjacent properties, and that the developer may be required to mitigate augmented runoff to maintain post-development site discharge rates to less than or equal to pre-development discharge rates to the satisfaction of the City Engineer.

<u>Updated Design Changes.</u> Following the City Council hearing on March 2<sup>nd</sup> and a city-moderated discussion between OHHA and the project proponents on March 31<sup>st</sup>, the property owner and architectural designer explored opportunities to address the concerns of the OHHA community that includes the mass, scale and design of the overall single-family residence and attached ADU. A visual illustration of the design changes can be found within Attachment III on Sheet A10. The final design proposes to increase the setback of the structure along Home Avenue from the minimum 20-foot setback to approximately 28- to 29-feet. The deck projections and living room areas on the 3<sup>rd</sup> and 4<sup>th</sup> levels of the home (as viewed from Home Avenue) have been shortened between 2- to 4-feet as well. These modifications are efforts to minimize the scale, massing and bulk of the overall structure and to guise the size of the home within the hillside from abutting properties and from the street.

<sup>9</sup> Hillside Design and Urban/Wildland Interface Guidelines: <a href="https://www.hayward-ca.gov/sites/default/files/COH%20Hillside%20Design%20Urban-Wildland%20Interface%20Guidelines.pdf">https://www.hayward-ca.gov/sites/default/files/COH%20Hillside%20Design%20Urban-Wildland%20Interface%20Guidelines.pdf</a>

Through the course of updating the architectural drawings, a numerical typo was discovered on the Cover Sheet (Sheet T01) of the plans that erroneously stated that the proposed conditioned habitable floor area of the main home would be 3,522 square-feet; however, should have stated 3,882 square-feet consistent with the floor area indicated on the floor plans (Sheets A05 to A07). Upon modifying the project plans based on the comments received by Council and OHHA, the total gross floor area (unconditioned and conditioned) of the entire structure has been reduced by 337 square-feet. A copy of the updated and corrected project plans is included as Attachment III.

<u>Environmental Review.</u> The proposed development is deemed categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15303(a), Class 3 of the CEQA Guidelines as the project involves the construction of one (1) single-family residence on a legal parcel in a residential zone. Although the project will involve grading on a parcel with a slope greater than 10-percent, the project site is not located within an officially mapped area of severe geological hazard such as the Alquist-Priolo Earthquake Fault Zone area.

In addition, the proposed project also involves the concurrent construction of an Accessory Dwelling Unit (ADU) that will be attached and ancillary to the primary single-family residence. Pursuant to Section 65852.2 of the Government Code, ADUs shall be reviewed ministerially without discretionary review and thus are statutorily exempt from CEQA pursuant to Section 15268 (Ministerial Projects) of the CEQA guidelines and Section 21080(b)(1) of the Public Resources Code. Therefore, no additional environmental analysis required.

## **ECONOMIC IMPACT**

The proposed project would result in the development of a currently vacant lot in an existing residential neighborhood. The proposed development would not require the expansion of public utilities or services and is not expected to have a negative impact on the City regarding public utilities or public services. Furthermore, the project would result in new residents moving into Hayward, which should generate demand for goods and services, thereby providing stimulus for new or existing jobs in the City's economy.

#### FISCAL IMPACT

According to the City of Hayward Fiscal Impact Model (2017) prepared by Applied Development Economics, Inc., the project would generate an estimated \$2,442 in annual revenue from property and utility user taxes and approximately \$2,377 in annual costs related to City services, resulting in a net positive impact of approximately \$65 per year.

#### STRATEGIC ROADMAP

In January 2020, the Council adopted six Strategic Priorities as part of its three-year Strategic Roadmap. This agenda item supports the Strategic Priority of Preserve, Protect & Produce Housing; however, this item is not specifically related to a project identified in the Strategic

Roadmap. The project will result in an increase in number of housing units within the City and include an ADU that will provide affordable housing by design to extended family members of the applicant.

#### **SUSTAINABILITY FEATURES**

The project has been designed to meet all applicable 2019 California Residential and Green Building Codes including the local REACH codes, which require a minimal level of energy efficiency, utility electrification, conservation, material recycling, and air quality, for new construction. In addition, the landscaping areas and irrigation system will be compliant with Bay Area-Friendly Water Efficient Landscape Ordinance, which requires the use of drought tolerant planting with water-efficient irrigation systems. Furthermore, the applicant will comply with ordinances related to construction debris and recycling to divert waste from landfills.

#### PUBLIC CONTACT

Following receipt of the application, staff conducted the following public outreach:

- On February 14, 2020, a Notice of Receipt of Application was sent to 80 addresses including property owners and tenants located within a 300-foot radius of the project site, including interested stakeholder groups such as OHHA, Hayward Highland Neighborhood Task Force, and the Hayward Area Planning Association. In response to the Notice of Application Receipt, the Planning Division received correspondence from six persons stating their opposition to the proposed project citing the massing, size, and compatibility of the proposed project with the rest of the surrounding neighborhood, the proposed project potentially being a multi-family residential development, and potentially adverse impacts that may arise as part of construction activity such as storm drainage issues.
- On January 15, 2021, a Notice of Public Hearing was sent via standard mail to property owners, tenants, interested parties, and community stakeholder groups within 300-feet of the project site and a legal ad was published in The Daily Review newspaper providing notification of the upcoming virtual Planning Commission and City Council hearings.
- On January 28, 2021, the Planning Commission held a virtual public hearing and voted 4:2 to recommend approval of the project to the City Council. Three members of the community virtually attended the public hearing and provided comments.
- On February 5, 2021, a Notice of Public Hearing for the City Council was published in the Daily Review newspaper and sent to all property owners and interested stakeholders within 300 feet of the subject property.
- On March 2, 2021, the City Council held a public hearing on the proposed project and voted 6:0 to continue the matter to a date certain on May 4, 2021 to allow for continued conversation between OHHA and the project proponents on the design of the residence.
- On March 11, 2021, City staff met with the property owner, Bradley Switzer, and the project architectural designer, Bich-Khoi Do, to review the comments and feedback

shared by the community during the March  $2^{nd}$  public hearing. City staff shared design suggestions that the property owner and designer could consider incorporating into the project's revised design to alleviate some concerns expressed by the OHHA neighborhood.

- On March 16, 2021, City staff met with John Vukasin and Robert "Bob" Carlson from the OHHA board to discuss the design of the proposed residence and overall concerns expressed by their membership. During the meeting, OHHA discussed the importance of their 1998 Hayward Highlands Neighborhood Plan and conveyed concerns how the Hayward 2040 General Plan did not fully capture the strategies of the 1998 plan. After this meeting, Mr. Vukasin and Mr. Carlson discussed the project further with their membership on how to mitigate the concern of massing, scale, and bulk. OHHA proposed changes related to additional tree plantings, storm drainage improvements, reducing the size of the ADU and number of bedrooms, and converting the garage facing Home Avenue into a carport to reduce the appearance of the home.
- On March 31, 2021, following direction from the City Council, City staff moderated a
  meeting between OHHA, the property owner, and the architectural designers for the
  project to discuss design alternatives to the proposed home to address the concerns of
  the community, including reducing the size of the home and deck projections, improving
  the landscaping, and implementing a plan to effectively address stormwater
  management.
- On April 6, 2021, OHHA sent a letter to the Planning Division thanking the Council, City staff, and the property owner for the recognition of their concerns on the development of the proposed residence as well as the willingness to facilitate an appropriate resolution between all parties. OHHA states that they are amenable to the proposed project provided the design of the structure is modified to reflect the increased setbacks from Home Avenue, reduced deck sizes and floor area. The letter also states that OHHA would like to participate in the finalization of the landscaping plan to ensure that planting features help mitigate the visibility of the structure as visible from Home Avenue, and lastly that the applicant incorporate the drainage changes to the site's frontage as discussed with City engineering staff. The letter from OHHA has been included to this staff report as Attachment IV.
- On April 23, 2021, an additional Notice of Public Hearing was sent via standard mail to property owners, tenants, interested parties, and community stakeholder groups within 300-feet of the project site and a legal ad was published in The Daily Review newspaper providing notification of the upcoming City Council hearing on May 4, 2021.

### **NEXT STEPS**

If the City Council approves the project, the decision will be final, and the applicant may then proceed with obtaining building permits.

Additionally, the Planning Division will be initiating an effort to convert the City's subjective design guidelines into objective standards to comply with state requirements. As part of this

process, City staff intends on engaging with OHHA to extrapolate strategies within the 1998 neighborhood plan and update them into enforceable language to minimize the potential of incompatible residential developments in the future while promoting attractive and neighborhood cognizant architecture. In addition, as part of the required Housing Element update, the City will review neighborhood plans to ensure that policies and goals that were developed by community members are thoughtfully carried into the General Plan, as appropriate. As part of the initiation of these efforts, staff is meeting with OHHA board members on April 30th for a tour of the neighborhood.

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