

Hayward Industrial District Regulations Update  
RRM Design Group Scope of Services

February 28, 2017

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## Hayward Industrial District Regulations Update

February 28, 2017

### SCOPE OF WORK

#### **Phase 1: Project Kick-off, Background Research, and Outreach**

This phase will involve background research to become familiar with Hayward's Industrial Technology and Innovation Corridor and targeted outreach to identify project challenges and opportunities.

**Task 1.1: Project Kick-Off Meeting and Industrial Corridor Tour.** The Consultant Team will plan and facilitate a kick-off meeting with City staff from the Development Services Department, Hayward Fire Department, Public Works – Engineering and Utilities, and Economic Development Division to discuss project goals and expectations; and identify issues, challenges, and opportunities associated with the project. The Consultant Team will tour the industrial areas with staff.

***Task 1.1 Meeting***

- *Kick-off meeting and industrial area tour*

***Task 1.1 Deliverable***

- *Agenda, kick-off meeting notes, and photographs from tour*

**Task 1.2: Public Outreach Program.** The Consultant Team will further develop and refine the public engagement strategy in an effort to educate, inform, and seek input on the zoning update. Community engagement will focus on the directly affected stakeholders including property owners, businesses, interest groups, civic decision-makers, and the community at-large. This effort will be designed to be effective in building a collaborative interest and obtaining consensus in the project given the diverse group of stakeholders that may have conflicting needs and expectations. Our goal is to design the public outreach program to engage the public in an interactive way, educate them on the purpose of this project, and create an effective strategy.

***Task 1.2 Deliverable***

- *Public Outreach Program*

**Subtask 1.2a: Stakeholder Interviews.** Prepare for and participate in two days of stakeholder interviews with brokers, realtors, real estate developers, design firms, contractors, property owners and business representatives that have experience working within Hayward's industrial areas and other industrial sub-markets of the Bay Area. The purpose of these meetings will be to listen to the issues, observations, and ideas of key persons regarding the strengths and weaknesses of the industrial area regulations, project challenges and opportunities, and permit process, and opportunities to improve these regulations and processes. Issues identified by stakeholders will be classified and sorted to identify common themes and shared concerns.

City staff will be responsible for identifying and coordinating interviews with stakeholders. Conducting interviews in small groups allows up to 35 stakeholders to participate in this process.

*Task 1.2a Meetings*

- *Stakeholder Interviews*

*Task 1.2a Deliverable*

- *Stakeholder Interview Summary Report*

**Subtask 1.2b: Online Community Engagement.** RRM will create and manage a project-specific website, consistent with the City's established branding guide and website format, that will link directly to the City's website. The project scope and schedule, frequently asked questions, upcoming public participation opportunities, and completed products will be placed on the project website as they are developed. The site will also host a comment feature and email list-serve sign-up so community members can be notified about upcoming meetings and new document availability.

If desired, the website will include an online survey. Although this is not proposed as a statistically-valid survey, it will provide a way to effectively gather data on a range of topics, such as preferences for locating businesses, ease of understanding and acquiring zoning and building permits, compatibility issues, and desires for certain amenities (e.g., lunch spots, gyms, child care services).

This task includes content updates and interactive features, such as the online survey described above. Topics, questions, and overall content will be submitted to, and approved by, the City prior to incorporation into the website.

*Task 1.2b Deliverables*

- *Project website and content*
- *Survey result summary memo*

**Subtask 1.2c: Public Workshops.** Public workshops at two key points during the project. Workshop #1 will be held early in the update process to present and discuss the major issues, highlight General Plan direction, distill key choices, and present the “big ideas” for consideration. Workshop #2 will be held when the draft regulations are formulated to get feedback on the draft regulations. Public workshops may be combined or replaced with City Council/Planning Commission Study Sessions that are open to the public.

*Task 1.2c Meetings*

- *Two (2) Public Workshops*

*Task 1.2c Deliverables*

- *Meeting materials*
- *Workshop summary memo*

**Subtask 1.2d: Key Group and Decision-maker Briefings.** It can be challenging to get industrial business tenants and owners, as well as the general public, to participate in community workshops. It is also imperative that there be periodic “check-ins” with decision-makers (who will ultimately adopt the regulations). The Consultant Team will provide staff with a “toolkit” of materials, based on workshop materials and project information developed for other aspects of the project, to conduct project briefings throughout the project. Staff will organize and conduct the briefings.

*Task 1.2d Deliverables*

- *Project materials to assist staff with project briefings*

**Task 1.3: Technical Background Research.** The Consultant Team will conduct background research and land use analysis to gain an understanding of the Industrial Technology and Innovation Corridor’s physical and regulatory strengths and weaknesses, including a comprehensive review of existing City policies and standards affecting industrial areas and an inventory of existing industrial businesses. Additionally, the Consultant Team will gather relevant industrial, technology, and business park zoning regulations from other cities (such as Emeryville, Berkeley, Oakland, Newark, Fremont and Union City) focusing on examples of lessons relevant to Hayward. This background research will provide the team with an understanding of the existing regulatory and industrial business landscape. Along with the outcomes of the community outreach process, our evaluation of this background research will culminate in an Industrial District Regulations Research and Recommendations Report with the following key components:

- I. Existing Conditions – regulatory and policy framework, setting, and inventory of existing businesses.

2. Issues – what are the trends, unintended consequences, and incentives for various use types and what are the functional design needs of targeted industries?
3. Effectiveness – how do the purposes of the district and goals expressed in the General Plan align with outcomes, such as tenant mix, code complaints, and environmental impacts?
4. Options – recommendations for a zoning framework including standards and subdistricts to encourage business clusters, innovation districts, and aesthetically pleasing high quality design.
5. Impacts – consideration for impacts related to sea level rise, traffic and transportation, air quality, hazards and hazardous materials, and greenhouse gas emissions.

Prepare a draft Industrial District Regulations Research and Recommendations Report; revise, based on staff comments.

***Task 1.3 Deliverable***

- *Industrial District Regulations Research and Recommendations Report*

**Task 1.4: Council Economic Development Committee Meeting.** The Consultant Team will facilitate a meeting with the City Council Economic Development Committee to present and receive feedback on the key findings from the Technical Background Research, Regulatory Analysis and Initial Industrial Regulations Recommendations. The meeting will include an interactive discussion to brainstorm ideas to address challenges and opportunities related to recommendations.

***Task 1.4 Meeting***

- *One (1) Council Economic Development Committee Meeting*

***Task 1.4 Deliverables***

- *Meeting materials*
- *Meeting summary memo*

## **Phase 2: Updated Zoning Regulations**

This phase involves preparation of comprehensive update to the City's Industrial District regulations based on the information gathered in Phase 1. It is envisioned that staff will work closely with the consultant team to develop the draft updated zoning regulations.

**Task 2.1: Prepare Updated Industrial Zoning Regulations.** Based on the comments received on the Industrial District Regulations Research and Recommendations Report, and using the existing industrial zoning sections of the Municipal Code (Section 1.1600: Industrial District; Section 1.1700: Business Park District; and Section 1.1800: Light Manufacturing, Planning/Research and Development District) and other general provisions, specific use

standards, and definitions related to the industrial uses as foundation, RRM will prepare a comprehensive update of the Industrial District Regulations.

- **Vision and Guiding Principles:** This section will include an overview of the City's Vision for the Industrial Technology and Innovation Corridor and a description of the Guiding Principles that will be used as a framework for developing the Industrial Regulations.
- **Industrial Sub-Districts or Overlay Zones and Map:** New sub-districts or overlay zones for the Industrial Technology and Innovation Corridor will be developed as needed to recognize different characteristics throughout the Corridor and encourage business clusters and the establishment of innovation districts. Areas adjacent to Industrial areas that should be rezoned to establish buffers between incompatible uses may also be identified.
- **Use Regulations:** Use regulations will be updated to allow a mix of employee-intensive uses (including office, corporate campuses, research and development, bio-sciences, "new economy" uses, and specialized manufacturing) and supporting uses (such as restaurants, cafes, exercise facilities, business services, business hotels, and on-site childcare services for employees) within the Industrial Technology and Innovation District based on the technical review and recommendations. A clear and concise land use classification system will be developed for each zoning district that clearly identifies uses that are allowed by right, uses subject to certain performance standards, and uses permitted with the approval of a discretionary Administrative Use Permit or Conditional Use Permit. Permit review requirements for each use will be evaluated to identify opportunities for allowing uses with a lower level of processing, such as more uses by right or through administrative approvals instead of a Conditional Use Permit. Use regulations will be presented in a table format according to permit type for ease of use, with cross-references to applicable standards in other sections. Incompatible uses will be precluded.
- **Development and Design Standards:** Development and design standards for each zoning district will be updated to be consistent with the General Plan (e.g., building envelope standards, height limitations, setback requirements, site coverage requirements, etc.) and implement recommendations from the Industrial District Regulations Research and Recommendations Report. This includes, but is not limited to, the following:
  - Graphically illustrated development and design standards to comply with the industrial design strategies listed in Policy LU-6.7 of the Hayward 2040 General Plan and achieve high quality design, including welcoming frontages and smooth transitions into neighboring context. Development and design standards will address topics such as:
    - Building design and articulation, including four-sided architecture

- Frontage and parking lot landscaping and shading
  - Storage, loading, shipping, and receiving area design, location, and screening
  - Mechanical equipment location and screening
  - Coordinated signage
  - Lighting and illumination
  - Pedestrian walkways and connectivity
  - Buffer treatments to address compatibility
  - Opportunities for Green Infrastructure
- Landscaping standards proportional to the size and scope of the project (such as requirements that vary for projects involving minor tenant improvements, building additions, and new construction)
  - Updated parking regulations and requirements for uses within the industrial zones
  - Performance standards to address issues that are associated with specific uses and to ensure predictable results
  - Provisions to address flooding risks associated with rising sea levels
  - Clear permit requirements and approval processes for land uses that involve the use, storage, and/or transportation of hazardous materials

The Industrial District Regulations will be organized and formatted to be easy to use and understand, clearly written to avoid ambiguity and jargon, illustrated to convey expectations and clarify intent, and include cross references to other applicable sections of the Zoning Ordinance and other applicable sections of the Municipal Code.

***Task 2.1 Deliverables***

- *Draft Industrial District Regulations and Map*

**Task 2.2: Internal Coordination Meetings.** As the updated regulations are being prepared during Task 2.1, the Consultant Team will meet and coordinate with City staff including but not limited to Economic Development, Development Services, Fire Department and Public Works staff.

***Task 2.2 Meetings***

- *Internal Coordination Meetings (up to 2 in-person conference calls, as needed)*

***Task 2.2 Deliverables***

- *Meeting Materials*

- *Meeting Summary Memo*

**Task 2.3: Council Economic Development Committee Meeting.** The Consultant Team will facilitate a meeting with the City Council Economic Development Committee to present and discuss the Draft Regulations.

***Task 2.3 Meeting***

- *One (1) Council Economic Development Committee Meeting*

***Task 2.3 Deliverables***

- *Meeting materials*
- *Meeting summary memo*

**Task 2.4: Planning Commission/City Council Study Sessions.** The Consultant Team will attend up to two Planning Commission/City Council sessions conducted by City staff to understand the comments provided by the Planning Commission, City Council, and members of the public.

***Task 2.4 Meetings***

- *Planning Commission/City Council Study Sessions (2)*

***Task 2.4 Deliverable***

- *Study session comment summary memo*

**Task 2.5: Public Review Draft Industrial Regulations.** The Consultant Team will revise the Draft Industrial Regulations based on comments and direction received from staff, public outreach, Council Economic Development Committee and study sessions with the Planning Commission and Council Study Sessions.

***Task 2.5 Deliverable***

- *Public Review Draft Industrial District Regulations and Map*

### **Phase 3: Environmental Review**

This phase will involve the preparation of an Addendum to the General Plan EIR for the proposed project. The scope assumes that the Industrial District Regulations will be an implementation tool of and will be consistent with the recently adopted General Plan. Still, this scope conservatively assumes preparation of an Addendum to the General Plan EIR. 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. The scope for the EIR Addendum assumes the Industrial District Regulations Update will result in some changes or additions to the EIR, but will not change buildout characteristics in a manner that results in new significant impacts or an increase in the severity of a previously identified impact.

**Task 3.1 Environmental Review Scoping.** Following preparation of the draft regulations, Lexington Planning will meet with the Consultant team and City staff to confirm the environmental review strategy and timeline. Lexington Planning will review the draft regulations and the 2040 General Plan Environmental Impact Report (EIR) and identify any inconsistencies or additional analyses required. If no changes are necessary, then a negative declaration may be the appropriate CEQA documentation and the budget estimate could be reduced.

If at any time, the need for a Supplemental or Subsequent EIR is potentially triggered due to a significant impact that was not discussed in the previous EIR or any other reason, our team will consult with City staff immediately. If a Supplemental or Subsequent EIR is ultimately determined to be necessary, the contingency scope, cost, and schedule for preparation of a Supplemental or Subsequent EIR included in Attachment I to this Scope of Work will be utilized.

*Task 3.1 Deliverable*

- *Memo confirming environmental review strategy*

**Task 3.2 Environmental Review Documentation.** California Environmental Quality Act (CEQA) compliance documentation will be prepared to address potential environmental impacts of the industrial district regulations. Lexington Planning will prepare an Administrative Draft Addendum to the EIR that covers the following topics:

- **CEQA Framework:** This section will introduce the Industrial District Regulations and - supported by substantial evidence - describe why a subsequent EIR is not needed.
- **Project Information:** Based on project description information provided by RRM, Lexington Planning will prepare an overview of the project and its relationship to the General Plan.
- **Environmental Analysis:** Lexington Planning will evaluate each of the topic areas analyzed in the 2040 General Plan EIR, with assistance from the consultant team, to determine whether the project could result in adverse impacts not previously analyzed in the 2040 General Plan EIR. Although all topics will be analyzed, the primary focus is likely to be on: Air Quality, Greenhouse Gas Emissions, Noise, Hazards and Hazardous Materials, Geology and Soils, Hydrology and Water Quality, and Traffic and Transportation. This scope of work assumes that the technical studies completed for the 2040 General Plan EIR will be used as a basis for analysis of each topic area; no additional



technical studies are included as part of this scope of work. Additional technical analyses are included as part of this scope of work.

Based on comments provided by the City, Lexington Planning will prepare the EIR Addendum. The Addendum is not required to be circulated for public review but can be included with public hearing documents when the regulations undergo review by decision makers. The Addendum would be considered, along with the previous EIR, before decision-makers consider adopting the regulations. This scope of work assumes that City staff will prepare any public noticing for the Addendum.

**Task 3.2 Deliverable**

- *EIR Addendum*

**(Alternative) Task 3.2 Environmental Review Documentation.** See Attachment 1 to this Scope of Services for additional information. A Subsequent or Supplemental EIR to the General Plan EIR may be warranted if major revisions to the General Plan EIR are slated as part of the project. Topic areas may include one or more of the following: Air Quality, Greenhouse Gas Emissions, Noise, Hazards and Hazardous Materials, Geology and Soils, Hydrology and Water Quality, and/or Traffic and Transportation. Attachment 1 to this Scope of Work includes a contingency scope, cost and schedule for preparation of a Supplemental/Subsequent EIR.

**Phase 4: Industrial District Regulations Approval**

Phase 4 involves the public hearing process to approve and finalize the comprehensive update to the Industrial District Regulations.

**Task 4.1: Public Hearings.** The Consultant Team will attend one Planning Commission hearing and one City Council hearing for the approval of the Industrial Regulations and certification of the environmental document. City staff will prepare and present the staff report at the hearings, and the Consultant Team will be available to answer potential questions.

**Task 4.1 Meetings**

- *One (1) Planning Commission hearing*
- *One (1) City Council hearing*

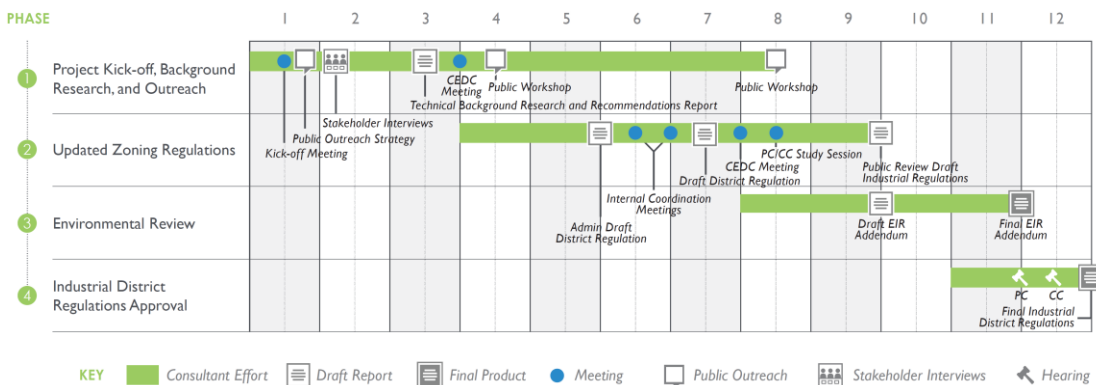
**Task 4.2: Final Industrial District Regulations.** The Consultant Team will prepare the final set of Industrial District regulations based on the final approval by the City Council.

**Task 4.2 Deliverable**

- *Final Industrial Regulations*

## Project Timeline

A proposed schedule is presented below, with key milestones and meetings indicated throughout. We have proposed a 12-month timeframe with work commencing in April 2017 and concluding in April 2018. This schedule is preliminary; we are happy to work with you to refine the scope and schedule to best fit the City's needs.



## **Budget**

The table on the following page explains the project budget. The budget includes all personnel, meeting, direct costs, and delivery of products identified in the Scope of Work.

Our budget is based on the following assumptions:

- A. **City Codes and Related Documents.** The City will provide readable/editable (e.g. MSWord) files of the current zoning regulations and any un-codified ordinances related to the Industrial Districts. Costs of scanning or digitizing existing regulations are not included in the project budget.
- B. **Land Use Diagram and Existing Zoning.** The City can provide digital data for a base map, existing land use (generalized), existing zoning, and the General Plan Land Use in compatible GIS format.
- C. **Meeting Attendance.** The project budget includes attendance at meetings specifically identified in the Scope of Work. The costs of additional meeting attendance would be on a time and materials basis if requested; such costs are not included within the guaranteed maximum fee. City staff is responsible for meeting/event logistics, notification, microphones, refreshments, and advertisement.
- D. **Consolidated Comments and Direction.** City staff will provide a single set of consolidated non-contradictory comments on the drafts of all documents.
- E. **Printing.** We will provide the City with digital files of documents an editable electronic format and Adobe PDF formats. Graphics will also be provided as jpg. The City will be responsible for printing and any mailing of hard copies of reports, and other material.
- F. **Travel Expenses, Mailing Costs, and Other Direct Costs.** The budget includes direct costs related to the project, including travel expenses, mailing costs, in-house printing costs, and other similar reimbursable expenses. Such items will be itemized on billing statements.

## Attachment 1

### Hayward Industrial District Regulations Update

March 2, 2017

#### SCOPE OF WORK

**Alternative Task 3.2 Environmental Review Documentation (Supplemental EIR).** If substantial changes are proposed by the Industrial District Regulations, which would require revisions to the General Plan and/or General Plan EIR, Lexington Planning would coordinate preparation of a Supplemental EIR (in lieu of the EIR Addendum in Task 3.2). Depending on the nature of these changes, this task may include coordination of additional sub-consultants to prepare technical studies for relevant topics, which may include, but not be limited to: Air Quality, Greenhouse Gas Emissions, Noise, Hazards and Hazardous Materials, and/or Traffic and Transportation. The Supplemental EIR would focus only on those topics for which substantial changes are proposed in the project, where circumstances have changed, or where new information not previously known reveals potential significant effects or alters potential mitigation measures.

A rough budget is provided to prepare one or more technical studies; a detailed budget would be provided once the specific technical studies required are determined. This scope of work assumes that City staff will prepare any public noticing for the Supplemental EIR, and would prepare any necessary General Plan amendments. Lexington Planning will attend two public hearings on the Supplemental EIR.

**Task 3.2b Deliverable**

- *Supplemental EIR*

#### TIMELINE

A proposed schedule is presented below, with key milestones and meetings indicated throughout. We have proposed a 12-month timeframe with work commencing in April 2017 and concluding in April 2018. If a Supplemental EIR is necessary, an additional 6 months may be required, bringing the total project timeframe to 18 months. Therefore, assuming work commences April 2017, project conclusion would occur October 2018.

## **BUDGET**

The total budget for Alternative Task 3.2, including all personnel, meeting, direct costs, and delivery of products identified in the Scope of Work, is \$55,940. This includes preparation of the Supplemental EIR, technical studies as determined necessary, and attendance at two public hearings. The nature and scope of necessary technical studies are unknown at this time. Budget details for each technical study will be provided once the specific technical studies required are determined.