



## **SUBJECT**

Proposed Mixed-Use Development consisting of 72 residential townhomes and 8,000 square feet of commercial space on a 5.88-acre parcel located at the southwest corner of Mission Boulevard and Industrial Parkway requiring adoption of an Initial Study, Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, approval of a Vesting Tentative Tract Map and Site Plan Review; Doug Rich, Valley Oak Partners

## **RECOMMENDATION**

That the Planning Commission adopts the project [Initial Study, Mitigated Negative Declaration and related Mitigation Monitoring and Reporting Program](#) (Attachment VII) and approves the Vesting Tentative Tract Map and Site Plan Review applications allowing for a mixed-use development consisting of the subdivision of 5.88 acres for 72 townhomes and 8,000 square feet of commercial space at the former Holiday Bowl site, subject to the required Findings stated in this staff report and the attached Conditions of Approval (Attachment III).

## **SUMMARY**

This significant mixed-use project is proposed on an identified catalyst site in the City's [Economic Development Strategic Plan](#). It represents an investment in the South Hayward area, which will help spur additional redevelopment of the Mission Boulevard corridor. There have been some concerns expressed about the need for more commercial space than is being proposed for this site, given its prominent corner location at Industrial Parkway and Mission Boulevard. The project proponent has indicated he is targeting the type of higher quality retail uses the City and community have been requesting, as opposed to creating more space that may sit vacant. Staff is supportive of the proposed project because it:

- a) Is consistent with many policies of the Hayward 2040 General Plan;
- b) Complies with land uses and density limits of the Sustainable Mixed Use General Plan Land Use designation;
- c) Complies with the S-T4 Urban General Zone development standards; and
- d) Includes benefits and amenities above minimum requirements including generous plaza and green spaces and interconnected pedestrian pathways as well as a significant number of bicycle parking facilities to encourage alternate modes of mobility.

## **BACKGROUND**

The proposed mixed-use project is proposed on an approximately 5.88-acre site within the South Hayward BART/Mission Boulevard Form-Based Code area at the southwest corner of

Mission Boulevard and Industrial Parkway, which is the former Holiday Bowl use that consisted of a bowling alley and restaurant/banquet facility that closed in 2005, and a small commercial strip center along Industrial Parkway that is currently vacant. The site is located within an urbanized area consisting of a mix of commercial, residential and recreational uses constructed after World War II, including a multi-family residential apartment complex to the southwest, Mission Hills Golf Course to the south, multi-family residential complexes and a commercial center across Industrial Parkway to the northwest and a variety of commercial uses across Mission Boulevard to the east.

### Past Meetings

City Council Work Session – On July 15, 2014, as part of a new City process to allow for early feedback on potential projects on key opportunity sites, the Council held a work session to discuss a conceptual plan for the development. As the minutes indicate (Attachment V), the Council welcomed the opportunity to review the proposal during this preliminary phase and offered some suggestions including green and solar-ready features, taking advantage of golf course views and support for the large plaza area that would be active.

Planning Commission Work Session – On July 24, 2014, the Planning Commission also reviewed the conceptual plan. Overall, there was general support for the proposal as reflected in the attached meeting minutes (Attachment VI), especially related to the creation of a destination site in the South Hayward area. Commissioners expressed concerns regarding having a plaza area right at the corner of Mission Boulevard and Industrial Parkway due to traffic and noise, and indicated a desire to have more retail at the site and maintaining a mix of residential units to allow for aging in place.

Community Meeting – The proponent submitted a formal application on October 8, 2015. On September 21, 2016, the proponent held a community meeting at the Mission Hills Golf Club with surrounding property owners and interested parties. The meeting was well attended and the attendees expressed support for the proposed application. Concerns were raised that the parking being provided would be utilized by surrounding developments that are under-parked and a request was made to have the Hayward Area Recreation and Park District (HARD) maintain the central green area. Regarding the parking and as discussed below in the next section, the parking provided is in compliance with the requirements and ultimate enforcement will be up to the future Homeowners Association (HOA) and the commercial tenant(s). The common green space is proposed to be about 11,500 square feet and as such, is not large enough to meet minimum size requirements that an entity such as HARD would be interested in maintaining, but will be maintained by the future HOA.

## **DISCUSSION AND STAFF ANALYSIS**

Project Overview – The proposed Mission Village project is a mixed-use development designed to create a destination for the South Hayward area comprised of 72 primarily three-story townhomes and an 8,000 square foot commercial space developed around a common green plaza. The development proposes eight different floor plans, which are configured in either 4-plex, 5-plex or 7-plex buildings. The units range in size from a little over 1,600 square feet to a

little over 2,000 square feet. Each unit has a minimum of three bedrooms while some plans offer a den or option for a fourth bedroom. All units have a side by side two- car garage. Two of the floor plans or seven of the total units (one per townhome building) have only two stories and are identified as ADA accessible, meaning the unit provides a kitchen or food preparation area, in addition to rooms and spaces for living, bathing, sleeping, and the like. Four units offer a ground floor bedroom and bathroom on the same level as the primary living space which supports aging in place. An 8,000 square-foot, one-story commercial building is proposed for the corner of Mission Boulevard and Industrial Parkway, which has been designed for either one or multiple tenants. As the plans (Attachment IV) show, on-site amenities include a 2,400 square-foot plaza located directly behind the proposed commercial building (as Commissioners encouraged during the July 2014 work session) that can be utilized for outdoor seating and gathering, a 11,542 square-foot central green area connected to the plaza via a pedestrian crosswalk zone, a 1,500 square-foot zen garden, a 2,800 square-foot tot lot, and a 2,400 square-foot view overlook area at the central rear portion of the site that would provide views toward the Mission Hills golf course. In addition to the covered residential parking, there are an additional 79 shared parking spaces for use by residential guests and by patrons of the commercial development.

General Plan – The [Hayward 2040 General Plan](#) adopted in July of 2014 designates the project site as *Sustainable Mixed Use*, which 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. Allowed uses generally include retail, dining, and service uses, professional office uses, detached or attached single-family homes, multi-family homes, live-work units, and vertical mixed-use with multi-family homes or office on upper floors. The established maximum floor area ratio (FAR) is 2.0 for the *Sustainable Mixed Use* designation. The proposed FAR is .76, based on a total project square footage of 196,186 sq. ft. on a 5.88-acre parcel. Based on the Sustainable Mixed Use General Plan land use designation, the project as proposed is in compliance with typical land uses and allowable FAR. The project is also consistent with several General Plan policies, including those stated later under Site Plan Review Findings.

Zoning Designation and Development Standards - The project site is located in the S-T4, Urban General Zone, as part of the South Hayward BART/Mission Boulevard Form Based Code. The S-T4 Zone consists of mixed uses, but primarily a residential urban fabric. The general character of the S-T4 Zone is a mix of townhomes and apartment buildings with scattered commercial activity; a balance between landscape and buildings; and a presence of pedestrians. The project as proposed is consistent with the other development standards of the S-T4 district as shown in the table below.

<b>Development Standard</b>	<b>Required</b>	<b>Proposed</b>
Residential Density	17-35 units per net acre	18 units per net acre
Front Setback	6 ft. min / 24 ft. max	Townhomes: 10.1 ft. along Mission/ between 16 and 17 ft. along Industrial Commercial: Varies between 12 ft. and 20 ft.
Side Setback	0 ft. min	Varies between 9 ft. and 14 ft.
Rear Setback	3 ft. min	3 ft.
Building Height	2 stories min / 4 stories max (57 feet max measured to midpoint of ridge and eave)	Townhomes: 3 stories / 33 feet to midpoint of ridge and eave Commercial: 51 feet to midpoint of ridge and eave of corner tower element
Lot Coverage	80% max per lot	Townhomes: 72% of lot Commercial: 19% of lot

Parking - Parking requirements in the South Hayward BART/Mission Boulevard Form Based Code are expressed as maximums for residential development. For non-residential functions, there is neither a maximum nor a minimum. For ownership residential units, the maximum number of parking allowed is two per unit. The proposed project provides the maximum allowed two covered parking spaces per residential townhome or 144 covered parking spaces in compliance with this standard. In addition, there are 79 uncovered parking spaces scattered throughout the development for the commercial use(s) as well as potentially any guests for the residential units. Since there is no maximum nor a minimum parking requirement for non-residential functions coupled with the project site being more than a half-mile from the South Hayward BART station, the additional on-site parking spaces seems reasonable.

The Form Based Code also requires both short-term and long-term bicycle parking for retail uses. Based on the 8,000 square foot commercial building, a minimum of three short-term bicycle spaces are required and a minimum of two long-term bicycle spaces are required. The project provides long term bike lockers for four bicycles as well as short term bike racks for an additional 20 bicycles.

Open Space - The Form Based Code requires that developments provide at least 15% of the lot area, or 19,835 sq. ft., as common open space. Between the plaza areas, the central green, the zen garden, the view overlook area, as well as the tot lot, the total amount of common open space provided is 20,759 sq. ft., in compliance with the standard. All of these open space areas are well connected to each other as well as the proposed commercial building via pedestrian pathways, which will be lit to provide safe connectivity throughout the site (see page 9 of Attachment IV).

Thoroughfare Plan - The Form Based Code indicates a requirement for a new Thoroughfare along the east and southern property boundary, the purpose of which was to create a vehicular connection through the project site from Industrial Parkway to Mission Boulevard, as well as break up the project site to create more walkable blocks. The proposal includes a public roadway connection through the site from Industrial Parkway to Mission Boulevard that exceeds the minimum standards. The project proposes a 26-foot wide travel lane with 5-foot wide sidewalks on each side and in some areas perpendicular parking, whereas the Form Based Code calls for 23-foot travel lanes and 4 foot sidewalks with unmarked parking. In addition, the proposed new thoroughfare meets the intent established in the Form Based Code.

Affordable Housing - The project involves more than 50 units and thus the project must comply with the Affordable Housing Ordinance, which allows the developer to either incorporate the required number of affordable units (7.5% of total units) within the development, pay an in-lieu fee or some combination of units and fees. The project proponent in this case is choosing to pay the in-lieu fee, which is \$3.87 per habitable square foot of the required number of affordable units. Payment of such fee in compliance with the Ordinance has been included as a Condition of Approval (#161 in Attachment III).

Findings - To approve the Vesting Tentative Tract Map and Site Plan Review applications, specific findings are required to be made. Each of those required findings are listed below followed by staff's affirmative responses to those findings.

*Vesting Tentative Tract Map*

1. The proposed map is consistent with applicable general and specific plans as specified in Section 64541 of the Subdivision Map Act. [Subdivision Map Act §66474(a)]
2. The design and improvement of the proposed subdivision are consistent with applicable general plan and specific plans. [Subdivision Map Act §66474(b)]
3. The site is physically suitable for the type of development, as demonstrated through the findings of the Initial Study and Mitigated Negative Declaration. Subdivision Map Act §66474(c)]
4. The site is physically suitable for the proposed density of development, as it is consistent with the General Plan designation for the site and the traffic infrastructure in the area is sufficient to support the density of the project. [Subdivision Map Act §66474(d)]
5. That the design of this infill project and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat. A Mitigated Negative Declaration prepared pursuant to the guidelines of the California Environmental Quality Act (CEQA) for the development of this site demonstrates that substantial adverse environmental damage, including to fish or wildlife and their habitat, would not result from the proposed project. [Subdivision Map Act §66474(e)]

6. That the design of the subdivision or type of improvements are not likely to cause serious public health problems as adequate capacity exists to provide sanitary sewer service to the Project site. There are no other aspects of the Project with the potential to cause serious public health problems. [Subdivision Map Act §66474(f)]
7. That the design of the subdivision or type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. There are no existing public easements within the boundary of the proposed subdivision, nor are any easements necessary. Upon completion of the proposed improvements, the streets and utilities would be adequate to serve the project. New public easements are to be offered for dedication as necessary. [Subdivision Map Act §66474(g)]

#### *Site Plan Review*

1. The development is compatible with on-site and surrounding structures and uses and is an attractive addition to the City in that the proposed mixed-use development is well designed and takes into consideration the mix of surrounding uses, including detached single-family homes, multifamily apartments and commercial development; takes advantage of the adjacent recreational golf course by providing units that front the golf course; and provides common open spaces that connect the commercial uses and the residential uses. In addition, the development proposes the redevelopment of a significant site which will help catalyze additional redevelopment of the Mission Boulevard corridor.
2. The development takes into consideration physical and environmental constraints in that appropriate structural design criteria and the California Building Code will be met to assure that the project can withstand an earthquake. In addition, since the project site is adjacent to Mission Boulevard, the development has been designed and will be conditioned to address potential noise and air quality impacts to ensure minimum standards are met for future residents of these townhome units.
3. The development complies with the intent of City development policies and regulations in that the project complies with land uses and density limits of the Sustainable Mixed Use General Plan Land Use designation, complies with the S-T4 Urban General Zone development standards and is consistent with many policies of the Hayward 2040 General Plan including:

Policy LU-1.3, Growth and Infill Development in that the project site is an infill development sites within the city, and identified as a catalyst site in the Economic Development Strategic Plan.

Policy LU-1.6, Mixed-Use Neighborhoods, in that the project provides new residential and commercial opportunities in an already developed area thus providing both existing and future residents with convenient access to goods, services, parks and recreation, and other community amenities.

Policy LU-2.8, South Hayward BART Urban Neighborhood and Mixed Use Corridor, in that the project has the potential to be a vibrant, compact, mixed-use and walkable urban neighborhood within the South Hayward BART Neighborhood and the South Hayward BART Mixed-Use Corridor.

Policy ED-1.11, Local Serving Retail, in that the project proposes an 8,000 square foot commercial building offering opportunities to expand retail opportunities that increase local spending within Hayward and can provide needed goods and services to local residents and businesses.

Policy ED-1.12, Neighborhood Commercial, in that project's proposed 8,000 square feet of commercial space provides integrated commercial and residential development to support the concept of "complete neighborhoods."

Policy H-3.1, Diversity of Housing Types, in that the project proposes a mixed use development that incorporates both two- and three-story townhomes in an area that already has a mix of multi-family apartments and detached single family homes. The townhomes provide a different form of ownership housing that can provide the diversity in housing types.

4. The development will be operated in a manner determined to be acceptable and compatible with surrounding development in that a Homeowners Association will be required to be formed which will ensure that the development is maintained in good condition.

## **ENVIRONMENTAL REVIEW**

A draft Initial Study/Mitigated Negative Declaration (IS/MND) evaluating the potential environmental Impacts of the project was prepared in accordance with the California Environmental Quality Act (CEQA). The Initial Study discussed potential impacts in the areas of Air Quality, Biological, Cultural Resources, Geology, Hazards and Hazardous Materials, and Noise and contains mitigation measures reducing the identified impacts to less-than-significant levels. The draft Initial Study and Mitigated Negative Declaration was posted with the Alameda County Clerk on December 9, 2016 as well as posted at City Hall and on the city's website. In addition, copies were delivered to the Hayward libraries and notice was sent to all interested parties and property owners and residents within 1,000 feet of the project site. The public comments period for the proposed IS/MND expired on January 3, 2017.

One comment letter was received from Caltrans on January 3, 2017 (Attachment VIII). The letter primarily provides notice to the project proponent of potential requirements for a Transportation Management Plan or construction to be approved by Caltrans prior to construction where traffic restrictions and detours would affect State highways; and a requirement for a Caltrans issued Encroachment Permit should any work or traffic control encroach onto State right-of-way. (Note the City will be seeking to have this segment of Mission Boulevard relinquished by the State, as part of improvements to this portion of the roadway, so it would no longer be a State route, as was done for Mission Boulevard north of

Industrial Parkway.) Both of these have been included as Conditions of Approval (Conditions 162 and 163). The third comment was regarding compliance with the City's Bicycle Master Plan to include a bicycle path and compliance with bicycle parking facilities. As discussed above, bicycle parking facilities will be provided. The project will be consistent with existing conditions and plans because there are already bicycle facilities along Industrial Parkway, and frontage improvements along Mission Boulevard, inclusive of a Class II bike lane, is proposed to be constructed by the City as part of the Phase II 238 Corridor Improvement project.

## **SUSTAINABILITY FEATURES**

The project as proposed will incorporate the following sustainability features:

*Energy:* The proponent proposes to install solar panels on the commercial building but the exact size of the system has not yet been determined. This will be evaluated once a determination is made regarding existing cellular carriers that may be utilizing the commercial roof space to relocate their existing facilities. In addition, the project has been conditioned to be GreenPoint Rated, and that such rating or certification be submitted prior to issuance of certificates of occupancy.

*Water:* The project will follow the Bay Friendly Landscape standards incorporating the use of native species and reducing toxic herbicides into local waterways. The use of drought tolerant species, coupled with separate meters for both the outdoor landscaping and commercial space, will improve water conservation.

*Solid Waste:* The asphalt and concrete in the existing parking lots will be crushed and reused on-site as base material reducing the amount of public waste sent to landfill and also reducing greenhouse gas emissions as the number of trucking trips bringing in materials to the site will be reduced.

*Transportation:* The project provides bicycle parking, street trees along bike paths, accessible seating and overhead shade structures to promote walking, biking and utilization of surrounding public transportation. The project provides a continuous system of connected sidewalks and pedestrian paths from each home through the central park area and commercial building ultimately connecting to Mission Blvd and Industrial Parkway providing a safe mode of travel highlighted by convenient greenways. Sidewalks and paths have been designed at sufficient widths to accommodate pedestrians; parking for the commercial is located behind the building providing a safe buffer from the street and creating a buffered space for the outdoor plaza. The project provides long term bike lockers for four bicycles as well as short term bike racks for an additional 20 bicycles promoting the use of bicycles for both internal residents as well as those biking to the new commercial center.

## **PUBLIC OUTREACH**

An Official Notice of Receipt of application was sent on October 15, 2015 to property owners, businesses and tenants within a 1,000-foot (versus normal 300-foot) radius of the proposed

project site and indicated a Preliminary Meeting would be held on November 5, 2015. Comments received at the November 5 meeting included a desire to include the adjacent apartment property in the development, and a request by HARD staff to disclose proximity of golf course to any future homeowners. In addition, as discussed earlier, the applicant held a community meeting at the Mission Hills golf club on September 21, 2016. Notice of this Planning Commission hearing was also sent to property owners, businesses and tenants within a 1,000-foot radius of the proposed project site on December 9, 2016.

## **NEXT STEPS**

Should the Planning Commission take action, a 10-day appeal period of the action to the City Council (or call-up to the Council by a Council member) would follow, which would expire at 5:00 p.m. on January 24, 2017.

If the project is approved and there is no appeal or Council member call-up filed within the appeal period, the applicant may proceed with submittal of the Final Map, Improvement Plans and building permits incorporating the project conditions of approval.

Prepared and Recommended by: Sara Buizer, AICP, Planning Manager

Approved by:



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