



**MINUTES OF THE REGULAR MEETING OF THE
CITY OF HAYWARD PLANNING COMMISSION
Council Chambers
Thursday, July 13, 2017, 7:00 p.m.
777 B Street, Hayward, CA 94541**

MEETING

A regular meeting of the Hayward Planning Commission was called to order at 7:00 p.m. by Vice-Chair Schott.

SALUTE TO FLAG

Commissioner Faria led in the Pledge of Allegiance.

ROLL CALL

Present: COMMISSIONERS: Willis Jr., Goldstein, McDermott, Faria
CHAIRPERSON: Schott
Absent: COMMISSIONER: Enders
Vacancy: One

Vice-Chair Schott introduced Romero Enders and congratulated Chair Enders.

Staff Members Present: Brick, Buizer, Chan, Langbauer, Porto,

General Public Present: 10

PUBLIC COMMENT:

There were none.

PUBLIC HEARINGS: For agenda item No. 1 and No. 2, the decision of the Planning Commission is final unless appealed. The appeal period is 10 days from the date of the decision. If appealed, a public hearing will be scheduled before the City Council for final decision.

1. Variance to allow seven signs totaling 337.9 square feet for DD's Discounts retail stores at 24055 Hesperian Boulevard; Application No. 201700987. Michael Ukekwu (Applicant) on behalf of Bartom Properties LLC and Lomik Properties

Planning Manager Buizer introduced Assistant Planner Langbauer

Assistant Planner Langbauer provided a synopsis of the staff report.

Mr. Jeff Aran and Jeff Sealy, spoke on behalf of the applicant, said they had an opportunity to speak with Assistant Planner Langbauer who provided them with information regarding



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a methodology within the sign ordinance that would grant the applicant an additional 50 square feet for signage and with this new information Mr. Aran requested additional time to reevaluate the area needed for the signs as signage is very important to advertise the store and inform the public of what kind of store it is and are considered the product identification. Mr. Aran noted a focus group was conducted that validated the importance of the signage to inform the public and stated the code creates a conflict for the applicant and per Section 10.7.300(b) which addresses that if product identification signs are not visible from a vehicle or pedestrian right-of-way they are exempt. Mr. Aran said their signs are nothing like the banners used by ACE hardware store. Mr. Aran said they would like to continue the dialogue with City staff.

Jeff Sealy, West Coast VP of real estate for Ross Stores the parent company to dd's Discounts, spoke about the importance of store titles. He indicated the focus groups that were conducted of prospective customers who did not know what the store was about and how they experimented with a couple of their stores to better inform the public of what the store is about yielded positive results. Mr. Sealy said this store has been opened since 2005 and they have seen a loss in revenue and the company is seeking a new method through the signage to attract new customers. Mr. Sealy said the wall murals should not be counted towards the area allowed for signage, the applicant was unaware that the murals needed to be permitted and the murals were placed on the blank walls to activate the store front.

In response to Commissioner Willis Jr.'s question if the reason for the requested variance was because of the size of the signage, Planning Manager Buizer said the amount of signage requested based on staff's review of the proposal was exceeding the total amount allocated for this business in the zoning district, because of this the applicant needed to apply for a variance and staff did not feel the findings needed to support the request for a variance based on the current application could be made. In response to Mr. Willis' question about what has occurred in other jurisdictions, staff said they had not researched surrounding municipalities. Mr. Aran noted for Mr. Willis that they can provide the cities where they were able to obtain permits for their signage. In response to Mr. Willis' question about whether the applicant can live within the guidelines, Mr. Sealy said in other cities, the signage is allowed from the beginning and pointed that the Hesperian store is 280 feet off the street and the applicant feels that the requested signage is sized appropriately for the location. In response to Mr. Willis' question about if this is a business strategy, Mr. Sealy said the challenge is to establish a brand identity for dd's Discounts. Mr. Sealy said for Ross Dress for Less stores, everyone knows exactly what the Ross stores are all about, but this is not the case for dd's Discounts, they want to grow the brand, inform potential customers and the method that has worked is through adequate signage. Mr. Aran said the purpose of the signage is to advertise meaningfully. Mr. Willis expressed concern that to approve this variance would set a precedent.



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In response to Commissioner McDermott's question is if the applicants are requesting a continuance, Mr. Sealy confirmed that they are requesting a continuance to allow them to explore how the City views the wall murals. Ms. McDermott submitted that the Planning Commission allow the applicant to have a continuance so that the applicant can explore other options.

Vice-Chair Schott recommended to the applicants to listen to the Commissioners.

In response to the applicants regarding their application, Planning Manager Buizer said staff will continue to work with them regarding their application. Ms. Buizer said staff can work with the applicant to a point where the item can be resolved administratively or if necessary bring the item back before the Planning Commission.

Vice-Chair Schott clarified for the applicant there would need to be four votes in favor needed to approve an item with the members present, noting that there currently is a vacancy and Chair Enders was out on maternity leave and Commissioner Goldstein will not be present at the July 27, 2017 meeting.

Mr. Aran said they would like to continue the item to a date in September and would also like to hear from the Planning Commissioners.

Commissioner McDermott commented that she understands the applicant's marketing strategy, that she did not know what kind of store dd's Discount is, spoke about the importance of branding, and suggested the applicant work with the landlord to trim the trees so that their signs can be seen from the street. Ms. McDermott would like the applicant to come back with a more reasonable request. Ms. McDermott said she understands staff's position about having consistency with signage, to have signs that are attractive and not a hodge podge of advertising.

Commissioner Faria asked if the signage on the Tennyson Road store is within the City's codes and Planning Manager Buizer said staff will need to check on the signage. Ms. Faria pointed out that the Tennyson Road and San Leandro stores have the same signage and suggested that the Hesperian Avenue store should be consistent with the other stores. Ms. Faria said because of this difference in store fronts how would you know that the Hesperian Boulevard dd's is the same as the other stores and she said there has not been an investment put into the Hesperian Boulevard store. Ms. Faria said if the Tennyson Road store's signage is within the City's ordinance codes then she recommended that the applicant make the Hesperian store consistent with the Tennyson Road store.



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Commissioner Goldstein said the building is unappealing and uninviting since it does not have any glass in the front. Planning Manager Buizer said staff and the applicant will be discussing whether the size of the murals should be included in the signage area. Mr. Goldstein suggested the store advertising murals be exchanged for public art. Planning Manager Buizer addressed Mr. Goldstein's comment regarding site distance requirements and the graphic letters and being able to see them. Ms. Buizer said that along major corridors the amount of signage was doubled specifically for properties along major arterials. Ms. Buizer said for other properties the amount of signage allowed is half as there is foot traffic and the stores are adjacent to residential and not along major vehicular corridors. Mr. Goldstein said the code should include language about setbacks as in that same area there are stores that are right up along the street that are allowed the greater amount of signage as opposed to the dd's store which is set back from the street. Mr. Goldstein said he was inclined to approve the request for variance just based on the setback as the sign ordinance was put into place to make sure the signage is not overbearing to the physical aesthetics of the neighborhood. In response to Mr. Goldstein's question about public outreach, Ms. Buizer said the required public noticing was done. Mr. Sealy said in speaking with the landlord, there were no objections from the other tenants. Mr. Goldstein asked staff to work with the applicant to accommodate their request for variance and asked the applicant to consider supporting the City's public art program. Mr. Sealy said they were agreeable to consider the public art murals and will discuss this with staff.

Commissioner Willis Jr. would like to hear from other businesses and the community. Mr. Willis agreed with other Commissioners that the dd's on Tennyson Road is more appealing, welcoming, and has windows.

Vice-Chair Schott said staff is doing their job enforcing a sign ordinance but he feels the ordinance needs to be updated. Mr. Schott hopes that staff and Council looks at the ordinance and take setbacks into consideration and stores located on major corridors.

Planning Manager Buizer commented that what she is hearing for the first time from the applicant is their willingness to look at the sign ordinance and work with staff to come to a compromise. Ms. Buizer said whether or not this can be resolved administratively, staff will come back to the Planning Commission with a report on the status of the applicant's request for variance.

The Planning Commission agreed to continue the item to a date in September.



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2. Proposed Site Plan Review and Vesting Tentative Map 8278 for the construction and subdivision of a 5-story structure containing 57 two and three bedroom stacked flat residential condominium units, 2,298 square feet of ground floor commercial area (2 commercial condominiums), and ground level parking (covered and open) on a 40,508 square foot (.93 acre) project site is located at 22634 & 22648 2nd Street (northeast corner of 2nd Street and "C" Street) in the Central City area of the City of Hayward. Assessor Parcel Number (APN) 427-16-50-04. Guru Thalapeneni (Owner/Applicant).

Consulting Planner Porto provided a synopsis of the staff report.

Mr. Thalapeneni, applicant, provided a background of the project. Mr. Thalapeneni described the units as having multiple green amenities and close to shopping and transportation.

Commissioner Willis Jr. said this is a good project, it fits in with the area and the community, it is near Foothill and shopping. Mr. Willis said that Hayward needs more market rate housing.

Commissioner McDermott said the City needs affordable housing be a requirement for all future developments. Ms. McDermott likes the amenities and location of the project and the location will enable residents to utilize public transportation. In response to Ms. McDermott's question regarding the park-in-lieu fee, Planning Manager Buizer said park-in-lieu fees are a set amount in the ordinance that was adopted by Council. Ms. Buizer noted that this is an older ordinance and City staff will be working with the Hayward Area Recreation and Park District (HARD) to reevaluate the fees. The applicant responded to Ms. McDermott's question that the units will be selling between \$375K to \$400K for two bedroom units and \$425K and \$450K for three bedroom units. Planning Manager Buizer said the condition that the Homeowner's Association (HOA) is going to monitor the development to make sure that there is 75% owner occupied which is a condition placed on every ownership project that has come before the Planning Commission and Council. Ms. Buizer said Council wanted to increase the number of owner occupied properties to attain the goal of having residents who are invested in the community that they live in. Ms. Buizer said it is up to the HOA to enforce this condition. Ms. McDermott said there has been a lot of changes in condominium projects and is less restrictive than it used to be and said maintaining a 75% owner occupied development can be challenging.

In response to Commissioner Faria's question if the City monitors the 75% owner occupied condition, Planning Manager Buizer said the City does not monitor this condition as the City is not a party to the Conditions, Covenants and Restrictions (CC&Rs) of the HOA. Ms. Faria felt this was contradictory that the City establishes this condition as a requirement



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then does not monitor the condition. Ms. Faria commended the applicant on the stacked design, the design accommodates people who cannot use stairs and she said the environmental friendly aspects are outstanding. Ms. Faria asked about a traffic study as traffic will back up on C Street and gets worse when California State University East Bay will be in session and this is a possible issue that needs to be considered. Consulting Planner Porto responded that the Traffic Division reviewed the traffic patterns in the area and applied some conditions of approval to the project and determined that a traffic study was not required. Mr. Porto pointed out that currently there is a commercial development at the site and the proposed residential project will have counter traffic patterns. Planning Manager Buizer added that Planning staff relies on the expertise of the Traffic Division staff and if the Traffic Division staff felt that a traffic study was warranted then the applicant would have been required to conduct a traffic study. In response to Commissioner Faria's inquiry regarding sufficient guest parking, Mr. Porto said that the project meets the City's code requirements and added that the code allows the applicant to count bicycle storage lockers to meet the parking ratio requirement of 1.5 parking stalls per unit.

At Commissioner's request the applicant described the roof elements that include landscaping, gathering areas and solar elements. Mr. Goldstein likes the amenities including the electric vehicle charging stations, roof top use of open space and design elements. Mr. Goldstein spoke about the need for the City to increase the affordable housing stock, he does not want generations of families separated because of the lack of affordable housing, likes the price point as it targets affordability for middle income families, and is deeply pleased that the developer is working with the community. Mr. Goldstein is in favor of the project and likes the thoughtfulness put into the design.

Commissioner Willis Jr. suggested the requirement be 100% owner occupied as this would make for a very good community. Mr. Willis favors the project and said this is a very good project.

Vice-Chair Schott said that an HOA for a condominium project works differently than a housing development and added that Alameda County maintains a listing of owner occupied properties. In response to Mr. Schott's question of how the parking fees are utilized, Consulting Planner Porto said there is a meeting scheduled to discuss the item of what the parking fees cover and staff will return to the Planning Commission with an answer. In response to Mr. Schott, Planning Manager Buizer said Conditions of Approval applies only to the project and if a street light is needed in front of All Saint's School that is a separate issue and staff can follow up and look at this safety issue.

Chair Schott opened the public hearing at 8:41 p.m.

Mr. Marcel Duran, C Street resident, spoke about problems and concerns with parking and



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street sweeping. Mr. Duran said these are older homes that have one car garages and existing residents are wondering how they can handle the parking issues. Mr. Duran said he does not oppose the project.

Planning Manager Buizer said the project complies with the City's minimum parking requirements.

Chair Schott closed the public hearing at 8:44 p.m.

Commissioner Willis Jr. said the City needs to require adequate parking for the residents and said traffic is a different subject and reminded everyone that this is an urban area. Mr. Willis said the City is growing and spoke about how traffic density increases every year and how this is a consequence of growth and living in an urban area. Mr. Willis said the developer has met the required parking spaces.

Commissioner Goldstein said traffic and parking issues comes up for every new development and the City's code was developed based on many urban studies and the parking ratio of 1.5 parking spaces is intended to cover a multitude of parking needs. Mr. Goldstein said many residents use their garages for storage and noted many modern cars do not fit the older garages. He said the City is currently in the review stage of the Downtown Specific Plan and added there is a lot of traffic that comes from outside of Hayward and these commuters are just driving through the City. Mr. Goldstein encouraged the public to continue to stay involved and they can find more details on the City's website about the Downtown Specific Plan.

Planning Manager Buizer recommended that Mr. Duran's concerns regarding parking and traffic be directed to the Traffic Division of Public Works and invited Mr. Duran to speak to her after the meeting.

Commissioner McDermott made a motion to approve the staff recommendation, Commissioner Willis Jr. seconded the motion. The motion passed with the following vote:

**AYES: Commissioners Willis Jr., Goldstein, McDermott, Faria
Vice-Chair Schott**
NOES: None
ABSENT: Enders
ABSTAIN: None
VACANCY: One



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APPROVAL OF MINUTES:

3. Minutes of the Planning Commission Meeting on June 22, 2017

A motion was made by Commissioner Willis Jr, seconded by Commissioner McDermott. The motion passed with the following vote:

4:0:1:1:1 (AYES: Willis Jr., Goldstein, Schott, McDermott: ABSTAIN: Faria; ABSENT: Enders; VACANCY: One)

COMMISSION REPORTS:

Oral Report on Planning and Zoning Matters:

Planning Manager Buizer announced that there is one final meeting on July 27, 2017, and the item to be brought before the Planning Commission will be the draft Accessory Dwelling Unit Regulations. Ms. Buizer said there are approximately 25 applicants for the Planning Commission and that there should be a full Commission in September.

Commissioners' Announcements, Referrals:

There were none.

ADJOURNMENT

Chair Schott adjourned the meeting at 8:59 p.m. in celebration of Romero Enders.

APPROVED:

Julius Willis, Jr. Secretary
Planning Commission

ATTEST:

Denise Chan, Senior Secretary
Office of the City Clerk