

**CITY OF HAYWARD PLANNING DIVISION
CONDITIONAL USE PERMIT APPLICATION NO. 201803296
ROUND ONE AT 545 SOUTHLAND MALL**

FINDINGS OF APPROVAL

Conditional Use Permit

Pursuant to Section 10-1.3200 of the Hayward Municipal Code (HMC), the Planning Commission may approve a Conditional Use Permit application when all the following findings are met:

A. The proposed use is desirable for the public convenience or welfare.

The proposed use is desirable for the public convenience and welfare in that it would provide a state-of-the-art, unique, and family-friendly commercial amusement facility in a convenient location. Round One Entertainment will provide the latest arcade games from both Japan and the US and high-quality amusement facilities including bowling lanes and billiard tables. The proposed facility will also provide a fun and safe location for families and friends to gather. The facility will include a dining area with TV monitors showing sporting events and private party rooms with karaoke equipment. Furthermore, there are only a few recreational venues in the City such as High Scores Arcade and Chalk It Up in Downtown. Additionally, none of the existing facilities provide multiple entertainment and recreational amenities all in one location. The nearest Dave & Busters locations, which is most similar to the proposed use, are in Milpitas and Daly City. The project would reduce the need for individuals to travel to further locations for recreation and entertainment.

Furthermore, the tenant space Round One Entertainment is proposing to occupy is currently vacant. The project would introduce a desirable and activating business to Southland Mall, which has been identified in the City's Economic Development Strategic Plan (EDSP) as a key retail area and catalyst site but is currently underutilized. The project would redevelop a significant portion of Southland Mall, help attract new businesses to the City and help Southland Mall become a stronger regional destination.

B. The proposed use will not impair the character and integrity of the zoning district and surrounding area.

The proposed use will not impair the character and integrity of the zoning district and surrounding area in that all of Southland Mall is located within the CBB20 (Central Business – 20,000 Square Feet Minimum Lot Size) Zoning District, which allows for concentrations of regional shopping facilities, financial and business services, and amusement or recreation. Southland Mall is located within the Southgate neighborhood, which is characterized by single-family residential development and commercial shopping centers. The subject tenant space, which is part of the main mall building, is surrounded by commercial retail and service uses including department stores, smaller retail businesses, restaurants, offices, banks, and health clubs. The proposed activities would be consistent with the intensity and

character of the existing commercial land uses surrounding the site. Additionally, there is ample parking in Southland Mall to accommodate the proposed use and the traffic study prepared by Advanced Mobility Group concluded that the project would not result in any significant traffic impacts to Southland Mall and the surrounding area.

C. The proposed use will not be detrimental to the public health, safety, or general welfare.

The proposed use will not be detrimental to the public health, safety, or general welfare in that the facility will be subject to the regulations established in the City's Alcoholic Beverage Outlet Ordinance and the Cabarets and Dances Ordinance. The project is subject to the Department of Alcoholic Beverage Control's (ABC's) regulations and other building and public safety codes. The referenced ordinances and regulations contain operating and performance standards for establishments that include the sale of alcoholic beverages or cabaret entertainment to minimize nuisances on neighboring properties. Round One has submitted a thorough business and security plan that establishes operational criteria, including that staff be present during business hours (including security guards), security infrastructure be installed (cameras, motion sensors, etc.), and protocols be established in the event of an incident. Round One will also retain their own security firm that will be vetted by the City's Police Department to ensure that all guards maintain proper certifications and training. Violations of any conditions of approval or any of the ordinances and regulations listed above may result in administrative citations, Code Enforcement action, or the revocation of licenses and permits, including this Conditional Use Permit at the expense of Round One Entertainment.

D. The proposed use is in harmony with applicable City policies and the intent and purpose of the zoning district involved.

The proposed use is in harmony with the applicable City policies and the intent and purpose of the zoning district involved in that the subject site is located within the CBB20 Zoning District and is designated Retail and Office Commercial (ROC) in the *Hayward 2040 General Plan*. The CBB20 District allows for commercial amusement facilities with ancillary beer and wine sales with the approval of a Conditional Use Permit. The proposed use is also consistent with the *Hayward 2040 General Plan* in that it is an entertainment and recreational use, which is allowed by the ROC land use designation. The project will also support the following General Plan policies:

- Land Use Policy 5.1 (Mix of Uses and Activities): *The City shall encourage a mix of retail, service, dining, recreation, entertainment, and cultural uses and activities in regional and community centers to meet a range of neighborhood and citywide needs.*
- Land Use Policy 5.5 (Southland Mall): *The City shall support private-sector efforts to improve the economic health and vitality of the Southland Mall, including major redevelopment efforts that transform the property into a regional destination for shopping, dining, and family and youth entertainment and recreation.*

- Economic Development Policy 1.10 (Opportunity Sites): *The City shall promote key retail, office, and manufacturing opportunity sites, as identified in the City's Economic Development Strategic Plan, General Plan, and other specific plans and master plans.*
- Economic Development Policy 1.14 (Hospitality and Entertainment Business Clusters): *The City shall encourage the development of a hospitality and entertainment business cluster within Downtown Hayward and other appropriate locations to improve opportunities for shopping, dining, arts and entertainment, lodging, business conventions, and cultural events.*
- Community Safety Policy 1.12 (On-Site Security): *The City shall require conditions of approval related to the provision of on-site security and safety measures for bars, nightclubs, live entertainment businesses, and related uses. Conditions of approval shall promote a healthy balance of public safety and nightlife vibrancy, and may include surveillance cameras, crowd management practices, and on-site security staff.*

The project also supports the goals and objectives identified in other citywide strategic policy documents. The EDSP identifies Southland Mall as a key retail area and catalyst site. The project supports the EDSP in that it would redevelop a portion of Southland Mall and provide an attractive and potentially activating business to an underutilized site. The project also supports the City's Complete Communities Strategic Initiative, which establishes goals and objectives to create and support amenities that would improve the quality of life for residents, business owners, and community members.

Furthermore, the project is required to comply with the City's Alcohol Beverage Outlets regulations and Cabarets regulations. The purpose of these regulations is to ensure that businesses engaging in alcohol sales and live entertainment activities are operated in a safe manner. The conditions of approval in Attachment III will help ensure that the proposed facility will comply with these regulations.

Environmental Review

- A. The proposed project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Class 1 (Existing Facilities) in that the project involves the leasing of an existing tenant space that will create a negligible impact on the environment. Therefore, no environmental review is necessary.