



SUBJECT:

Work Session on Proposed Zoning Text Amendments to Chapter 10 (Planning, Zoning and Subdivisions) of the Hayward Municipal Code Related to Supportive Housing Programs Associated with Implementation of the Hayward 2023-2031 Housing Element

RECOMMENDATION

That the Planning Commission review and provide feedback the draft amendments to the Hayward Municipal Code (Attachment III, Exhibits A-D) associated with the implementation of Hayward 2023-2031 Housing Element Actions related to the expansion and development of supportive housing throughout Hayward.

SUMMARY

On February 7, 2023, the City Council adopted the Hayward 2023-2031 Housing Element, which contained goals, policies, programs, and actions to help Hayward meet its housing needs for individuals at all income levels. This project aims to fulfill several Housing Element actions related to supportive housing to remain in compliance with state housing law and to expand housing options for Hayward's unhoused and other vulnerable populations.

In June, the City Council¹ and Planning Commission² held work sessions on this topic and provided initial feedback on Staff's recommendations. They generally supported Staff's recommendations to allow and develop standards for SROs, Safe Parking and Emergency Shelters. City Council expressed a desire to remove additional barriers for Safe Parking. Lastly, they expressed concern for expanding allowances for Unlicensed Group Homes.

Based on that feedback, Staff drafted a series of zoning amendments, which are summarized below:

- General Clean-Up: Amend miscellaneous definitions and requirements to ensure regulations are clear, concise and consistent with State Law.
- Single Room Occupancy (SROs): Define and allow SROs in certain mixed-use, industrial, commercial and high-density residential districts with approval of an Administrative Use Permit and subject to developmental standards related to unit size, storage, shared versus unshared facilities, open space, parking, and management.

¹ June 25, 2024 City Council Work Session: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6734718&GUID=529789D5-ED06-4719-98DB-AD00E7DB602A&Options=&Search=>

² June 27, 2024 Planning Commission Work Session: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6731748&GUID=5F887A2B-F4FA-4C9F-AC97-CD4E1B130FF9&Options=&Search=>

- Safe Parking: Define and allow safe parking on large properties owned by non-profits organizations with approval of an Administrative Use Permit and subject to developmental standards related to vehicle operability, facilities, hours of operation and management.
- Group Homes: Allow *licensed* group homes to have eight residences by right, between nine and fourteen with approval of an Administrative Use Permit and over fifteen with approval of a Conditional Use Permit in all districts where group homes are currently permitted. There are no proposed changes to *unlicensed* group homes regulations which allow up to six residences by right and over seven residences with approval of a Conditional Use Permit.
- Emergency Shelters: Allow emergency shelters in additional commercial and mixed-use zoning districts subject to development standards related to bed count, parking, intake area, security, and distance between shelters.
- Psychiatric and Rehabilitation Care Facilities: Allow Psychiatric and Rehabilitation Facilities in some mixed-use and industrial zoning districts with the approval of an Administrative Use Permit as long as they are licensed and regulated by the State Department of Health Care Services.

At this work session, staff is requesting specific feedback from the Planning Commission on the following questions, which are discussed in greater detail in the Background and Staff Analysis Sections below:

- Does Planning Commission support the draft zoning amendments provided in Attachment III, Exhibits A-D?
- Are there any other standards that should be included or excluded for the Safe Parking, Emergency Shelters and Single-Residence Occupancy uses?
- Are there any additional zoning districts where Emergency Shelters, Single Residence Occupancy, Groups Home or any other residential use should be permitted?

BACKGROUND

The State of California is in a housing and shelter crisis with more than 171,000 people experiencing homelessness daily. The California Statewide Study of People Experiencing Homelessness³, published by the University of California San Francisco in June 2023, noted that California's unhoused population is predominately minorities and individuals over 40 years old; that the majority of individuals experiencing homelessness reported a period in their life where they experienced a serious mental health condition; and, that the median length of homelessness is 22 months. Based upon the 2024 Point-In-Time (PIT) Count⁴, there are approximately 512 people experiencing homelessness in Hayward, which is up 30% from 2022.

The City of Hayward has adopted several Plans and Resolutions aimed at addressing this crisis, including the Hayward 2023-2031 Housing Element⁵. The Housing Element was adopted by

³ The California Statewide Study of People Experiencing Homelessness: <https://homelessness.ucsf.edu/our-impact/studies/california-statewide-study-people-experiencing-homelessness>

⁴ January 2024 Point-In-Time Count: <https://everyonehome.org/main/continuum-of-care/point-in-time-count-2024/>

⁵ Hayward 2023-2031 Housing Element: <https://www.hayward-ca.gov/your-government/documents/planning-documents>

the City Council on February 7, 2023⁶, and is composed of goals, policies, programs, and actions to help our community meet its housing needs. This project aims to fulfill the following actions to remain in compliance with State housing law and expand supportive housing options for Hayward’s unhoused population:

- Action 13.1: Explore innovative and alternative housing options that provide greater flexibility and affordability in the housing stock. This may include allowing shelters, transitional housing and tiny homes with wraparound services on site at churches, social services agencies/nonprofits that do this work in the community and on publicly owned land. The City will promote other types of alternative housing options including single room occupancy developments or conversions, group homes, and by-right permanent supportive housing.
- Action 13.3: Assess and amend the Hayward Municipal Code (HMC) as needed to allow Supportive Housing as a “by-right” use where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses pursuant to Government Code section 65651⁷.
- Action 13.4: Evaluate the permit process for group homes of seven or more persons and amend the HMC to include a set of objective standards to provide certainty to applicants through the permitting process. Evaluate the potential of allowing this use through the Administrative Use Permit process or allow “by-right” subject to objective standards.
- Action 13.5: Amend the HMC parking regulations for Homeless and Emergency Shelters and Navigation Centers to comply with Government Code section 65583, subdivision (a)(4)(A)⁸.
- Action 13.6: Amend the HMC to comply with California Government Code section 65662⁹ which requires a Low Barrier Navigation center to be a use by-right in areas zoned for mixed-use and non-residential zones permitting multifamily uses, provided specific legal requirements are met.
- Action 13.7: Amend the HMC to allow tiny homes and emergency shelters on church and publicly owned properties.
- Action 19.11: Explore funding and feasibility options for safe parking and safe camping programs to provide additional safe, secure, and sanitary options for individuals and families experiencing homelessness.

In addition to the Housing Element, the City Council adopted the Let’s House Hayward Strategic Plan on July 13, 2021¹⁰. This Plan identified goals and strategies to achieve Hayward’s vision of being a leader in ending homelessness through accessible, dignified treatment and services. Many of these goals and strategies served as the basis for actions within the Housing Element.

⁶ February 7, 2023 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6016046&GUID=4F497BC8-5C65-474C-8E6E-7447DA88EFEA&Options=&Search=>

⁷ California Government Code Section 65651:

https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65651&lawCode=GOV

⁸ Government Code Section 65583, Subdivision (a)(4)(A):

https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65583&lawCode=GOV

⁹ California Government Code Section 65662:

https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65662&lawCode=GOV

¹⁰ July 13, 2021 City Council Public Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=5028014&GUID=E5369F11-C504-413E-B317-E2797DF45328&Options=&Search=>

The City Council has also adopted the five emergency Resolutions (Res 18-027¹¹, Res 19-04¹², Res 21-026¹³, Res 23-028¹⁴, and Res 24-025¹⁵) to support the operation and construction of supportive housing. Many of these Resolutions include the temporary suspension of local planning and zoning regulations as they currently represent barriers to meaningfully and creatively serving our unhoused population.

The HMC allows a variety of housing options in the residential, commercial, and mixed-use zoning districts. However, the HMC only currently allows a few specific types of supportive housing uses (i.e. group homes, convalescent homes, SROs and homeless shelters) in limited areas, the uses are not clearly defined, and there are few if any operational or performance standards (i.e. number of residents, security measures, on-site management, length of stay, etc.) applicable to the uses, which this project intends to remedy.

PUBLIC CONTACT

The outreach for this project builds upon outreach and feedback efforts associated with the Hayward 2023-2031 Housing Element. A detailed description of those efforts can be found in the City Council adoption hearing staff report¹⁶.

In May 2024, staff held five stakeholder meetings to gather input from local service providers, affordable housing developers, educational facilities and faith-based organizations to understand best practices and recommendations in the field of supportive housing. A total of 74 organizations were invited to attend and ten organizations participated in these meetings. Further, staff from the City of Hayward Community Services, Housing, Maintenance Services, Fire, Police, Building, Water Pollution Source Control and Utilities departments also provided input at a series of internal meetings.

In September 2024, staff shared the draft zoning regulations with our stakeholders and internal staff. Any comments received on the draft regulations to date will be shared with the Planning Commission at the work session. Staff is accepting comments on the draft regulations through October 21, 2024.

To date, the key feedback from the outreach efforts is summarized below:

- The regulations should allow a wide range of types of supportive and transitional housing to serve a variety of different populations (i.e. families, seniors, people with severe mental illness, people who are experiencing short term homelessness due to

¹¹ October 2, 2018 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=3690554&GUID=A8DF0FBF-2F19-4648-8632-2BFF62A97107&Options=&Search=>

¹² January 22, 2019 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=3838800&GUID=89EC3945-8050-428A-881C-6180A91CBA9A&Options=&Search=>

¹³ February 23, 2021 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=4803667&GUID=7C811874-F8C6-4590-9385-736AD8D65638&Options=&Search=>

¹⁴ February 7, 2023 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6016044&GUID=969B2045-A073-4043-90BB-1659E2882811&Options=&Search=>

¹⁵ January 30, 2024 City Council Hearing: <https://hayward.legistar.com/LegislationDetail.aspx?ID=6497824&GUID=27C372BA-05E2-4727-B184-0EB72948365B&Options=&Search=>

economic hardship, people who are recovering from illness, addiction or disability, among others).

- The greatest stated housing need based on feedback from the unhoused population are small independent living spaces with limited or no shared facilities.
- Congregate housing (i.e. group homes) is not ideal for all populations but serves as a good interim solution for many who cannot live independently, provided there is adequate personal/private space and management.
- Licensed group homes have a rigorous and thorough permitting process with the California Department of Social Services. Any modification of regulations should consider expanding and avoid creating additional barriers for these facilities.
- Supportive housing should provide wrap-around services, 24-hour staff close by or on-site, laundry facilities, showers, cooking facilities, internet and locked storage.
- Supportive housing should be located close to public facilities, grocery stores, medical services, and transit.

DISCUSSION

Based upon the all the feedback received, staff is recommending several zoning amendments related to expanding supportive housing. The overall goal of these recommendations is to create a spectrum of housing to serve a variety of populations with different needs. Recommendations include amendments to the Zoning Ordinance¹⁷, Off-Street Parking Regulations¹⁸, Mission Boulevard Code¹⁹ and Downtown Development Code²⁰.

General Clean-Up: The regulations related to general clean up are described below and can be found in Attachment III, Exhibit A-D. These following revisions aim to ensure Hayward's residential zoning regulations are clear, internally consistent and compliant with State Law:

- Add or revise definitions for the following terms: Single Room Occupancy, Safe Parking, Group Homes, Convalescent Facility, Psychiatric and Rehabilitation Facility, Emergency Shelter, Low Barrier Navigation Center, Live/Work, Dwelling Unit, Sleeping Unit, Housing for Individuals with Disabilities, and Vehicle.
- Remove Boarding Home, and Fraternity/Sorority uses.
- Add Dormitory use to the Central City- Residential(CC-R), Central City- Plaza (CC-P), Mission Boulevard- Corridor Neighborhood (MB-CN), Mission Boulevard- Neighborhood Node (MB-NN), Mission Boulevard- Corridor Center (MB-CC), Urban Neighborhood (UN), Downtown-Main Street (DT-MS) and Urban Center (UC) zoning districts with approval of an Administrative Use Permit.
- Combine Live/Work and Artist's Loft into one use.

¹⁷ HMC Section 10-1, Zoning Ordinance:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOOR

¹⁸ HMC Section 10-2, Off-Street Parking Regulations:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART2OREPARE

¹⁹ HMC Section 10-24, Mission Boulevard Code:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART24MIBOCO

²⁰ HMC Section 10-28, Downtown Development Code:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART28DECO

- Allow Low Barrier Navigation Centers in all mixed use and nonresidential zoning districts permitting multifamily uses (Neighborhood Commercial (CN), Neighborhood Commercial- Residential (CN-R), General Commercial (CG), Commercial Office (CO), Limited Access Commercial (CL), Central Business (CB), Central City- Commercial (CC-C), CC-R, CC-P, MB-CN, MB-NN, MB-CC, Neighborhood Edge (NE), Neighborhood General (NG), UN, Urban Neighborhood-Limited (UN-L), DT-MS, UC) by right in accordance with Government Code section 65662²¹.
- Add standards for a Low Barrier Navigation Center in accordance with Government Code section 65662.
- Revise housing types within the Off-Street Parking Regulations to be consistent with the Zoning Ordinance.

Single Room Occupancy (SROs): The regulations related to SROs are described below and can be found in Attachment III, Exhibit A (pg. 82). These regulations aim to allow the development of small, independent units for individuals transitioning out of a congregate living environments, unhoused individuals, migrant workers and other extremely low-income residents. Due to their similarities, SROs are proposed to be permitted wherever hotels are permitted. The draft regulations listed below are based on regulations from Milpitas, San Leandro and Winters which have comprehensive SRO ordinances:

- Allow new SROs in the High Density Residential (RH), CL, CB, CC-C, MB-CN, MB-NN, MB-CC, UN, DT-MS and UC districts with approval of an Administrative Use Permit.
- Allow hotel conversions into SROs in the Light Industrial (IL), Industrial Park (IP), General Industrial (IG), and Air Terminal- Commercial (AT-C) districts with approval of an Administrative Use Permit.
- Require each unit be a maximum of 400 square feet, have a minimum of 90 cubic feet of storage and have one parking space.
- Allow each unit to have a bathroom and/or an efficiency kitchen. If not provided in each unit, minimum shared facilities are required.
- Require common laundry facilities and open space for all the residents.
- Require a management plan that addresses the management and operation of the facility, staffing, rental procedures, safety and security of the residents and building maintenance.

A map showing all the locations where SROs would be permitted can be found in Attachment II.

Safe Parking: The regulations related to safe parking are described below and can be found in Attachment III, Exhibit A (pg. 81). These regulations aim to create a safe place for individuals to sleep overnight in their vehicles while ensuring access to basic necessities and limiting impacts to adjacent properties and City services. Staff recommends allowing safe parking on large,

²¹ California Government Code Section 65662:
https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65662.&lawCode=GOV

developed sites to ensure the site can easily accommodate the use. The draft regulations listed below are based on successful Safe Parking programs in Union City and Fremont:

- Allow safe parking on properties owned by tax-exempt non-profit organizations (i.e. faith-based organization, community-based organization) that are a minimum of 20,000 square feet and have a minimum of 50 parking spaces or a habitable structure with minimum 10,000 square feet gross floor area with approval of an Administrative Use Permit.
- Require all vehicles, vans and recreational vehicles be operable and parked on a paved surface.
- Require all safe parking locations provide access to permanent bathroom facilities to participants during all operational hours.
- Require all safe parking locations provide temporary or permanent shower and laundry facilities at least once a week to participants.
- Prohibit safe parking operations between the hours of 10:00 a.m. and 5:00 p.m. unless otherwise authorized.
- Require a management plan that addresses the operation, management, rules, and safety measures for the safe parking operation.

A map showing all the locations where safe parking would be permitted can be found in Attachment II.

Group Homes: The regulations related to Group Homes are described below and can be found in Attachment III, Exhibit A (definition on pg. 97). These regulations aim to remove barriers for *licensed* groups homes which are already heavily regulated by the State. The draft regulations listed below are based on California Department of Housing and Community Development's Group Home Technical Advisory²² and key feedback from the Supportive Housing Community Land Alliance (SCHLA). Please note there are no proposed changes to *unlicensed* group homes regulations which allow up to six residences by right and over seven residents with approval of a Conditional Use Permit.

- Allow group homes in the CC-C, CC-P, MB-CN, MB-NN, and MB-CC districts in accordance with Welfare and Institution Code section 5116²³.
- Distinguish licensed from unlicensed group homes.
- Licensed Group Homes:
 - Define Small Licensed Group Homes as having up to eight residents and allow by right in all districts that currently allow group homes.
 - Define Medium Licensed Group Homes as having between nine and 14 residents and allow subject to approval of an Administrative Use Permit in all districts that currently allow group homes.

²² HCD Group Home Technical Advisory: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/group-home-technical-advisory-2022.pdf>

²³ California Welfare and Institution Code Section 5116: https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=5116&lawCode=WIC

- Define Large Licensed Group Homes as having 15 or more residents, and allow subject to approval of a Conditional Use Permit in all districts that currently allow group homes.

Emergency Shelters: The regulations related to emergency shelters are described below and can be found predominately in Attachment III, Exhibit A (pg. 79). These regulations aim to expand where emergency shelters are permitted to best serve Hayward’s unhoused population and create standards to minimize potential nuisances. The draft standards listed below are based on statutory requirements in Government Code section 65583, subdivision (a)(4)²⁴ and regulations from Oakland, Fremont and San Leandro.

- Allow emergency shelters on parcels along Mission Boulevard and Foothill Boulevard in the CN, CG, and CO districts.
- Allow emergency shelters on parcels along Mission Boulevard in the MB-CC district.
- Limit emergency shelters to 45 beds.
- Require emergency shelters provide one parking space for each three employees on site during the shift that has maximum staffing and an additional parking space for each facility vehicle.
- Require a client in-take area and on-site security.
- Require emergency shelters a minimum of 300 feet from one another.

A map showing all the locations where emergency shelters would be permitted can be found in Attachment II.

Psychiatric and Rehabilitation Care Facilities: The regulations related to Psychiatric and Rehabilitation Facilities described below can be found predominately in Attachment III, Exhibit A (definition on pg. 109). These regulations aim to support individuals who are experiencing a crisis and need a higher level of care than can be provided in a congregate living setting (i.e. shelter, group home). Typically, individuals experiencing a mental health crisis are sent to hospitals which are expensive and unprepared to provide extensive mental health support. Establishment of these facilities are supported by best practices, and there has been an increase in funding from the State and County for these facilities.

- Allow Psychiatric and Rehabilitation Facilities in the IL, IP, IG MB-CN, MB-NN and MB-CC districts within approval of an Administrative Use Permit.
- Require these facilities be licensed and regulated by the State Department of Health Care Services.

A map showing all the locations where Psychiatric and Rehabilitation Facilities would be permitted can be found in Attachment II.

As noted earlier in this report, staff is requesting specific feedback from the Planning Commission on the following questions related to the recommendations above:

²⁴ Government Code Section 65583, Subdivision (a)(4):
https://leginfo.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65583&lawCode=GOV

- Does Planning Commission support the draft zoning amendments provided in Attachment III, Exhibits A-D?
- Are there any other standards that should be included or excluded for the Safe Parking, Emergency Shelters and Single-Residence Occupancy uses?
- Are there any additional zoning districts where Emergency Shelters, Single Residence Occupancy, Groups Home or any other residential use should be permitted?

NEXT STEPS

Using the feedback received from decision makers and the community at all the project public meetings and outreach events to date, staff will revise the draft Zoning Amendments with the goal of adopting final standards by January 2025 in accordance with the timeframe set forth in the certified Housing Element.

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