

**CITY COUNCIL MEETING  
TUESDAY, JANUARY 15, 2019**

**PRESENTATIONS**

**ITEM 7 – WS 19-002**

**DOWNTOWN SPECIFIC PLAN PROJECT UPDATE**

# Development Services Dept. Planning Division

Downtown Specific Plan – Council Work Session (1-15-19)  
Damon Golubics, Senior Planner



# Downtown Specific Plan – Project Update

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## **Public Engagement:**

- Community Open House
- Work Session
- Planning Commission – February 14<sup>th</sup>
- EIR
- Comment Period – Ends 5:00 p.m. February 20<sup>th</sup>

# Downtown Specific Plan – Project Update

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## **Scope and Budget:**

- Currently within the Project Budget
- Currently meeting the Project Scope
- On track to complete project by April 30<sup>th</sup>
- Extension by the Alameda County Transportation Commission

## Lisa Wise Consulting

Presentation by:

- Lisa Wise
- Kathryn Slama



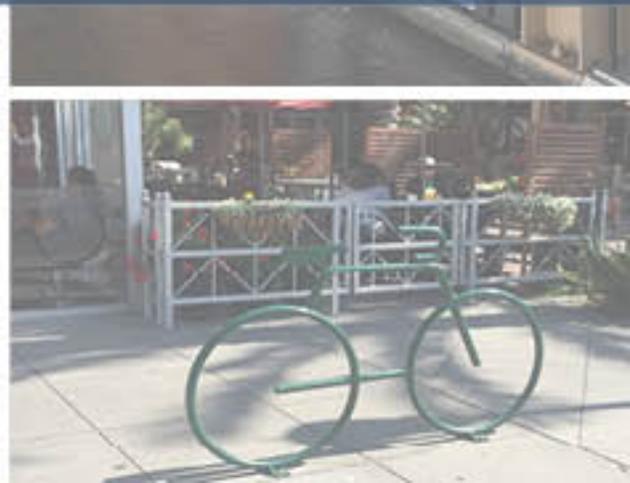
**ITEM 7 – WS 19-002**

**DOWNTOWN SPECIFIC PLAN PROJECT UPDATE**



# CITY OF HAYWARD DOWNTOWN SPECIFIC PLAN

City Council Work Session- Public Hearing Draft  
January 15, 2019



# INTRODUCTION

City of Hayward

**Damon Golubics, Senior Planner**

Lisa Wise Consulting, Inc.

**Lisa Wise, President**

**Kathryn Slama, Senior Associate**



# AGENDA

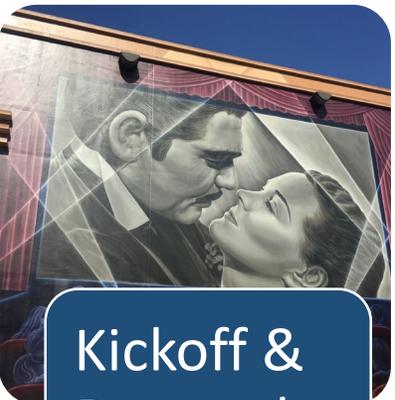
- 1 Project Overview
- 2 Community Outreach
- 3 Downtown Specific Plan
- 4 Development Code
- 5 Schedule & Next Steps

# Purpose of the Meeting

## Review and Discuss the Public Draft Plan and Code

# PROJECT OVERVIEW

# PROJECT OVERVIEW



## Kickoff & Research

- What is Downtown like today?



## Vision & Alternatives

- What do we want Downtown to become?



## Draft Specific Plan & Code

- Strategies to achieve the vision



## Review Specific Plan & Code

- Evaluate and prioritize
- Recommendation



## Adoption

Sept 2016 – Feb 2017

Feb 2017 – Aug 2017

Sept 2017 – Dec 2018

Jan 2019 – Mar 2019

April 2019

# PROJECT OVERVIEW

## WHAT IS THE PROJECT?

- New Downtown Specific Plan
- Environmental Impact Report (EIR)
- Updated Zoning Regulations



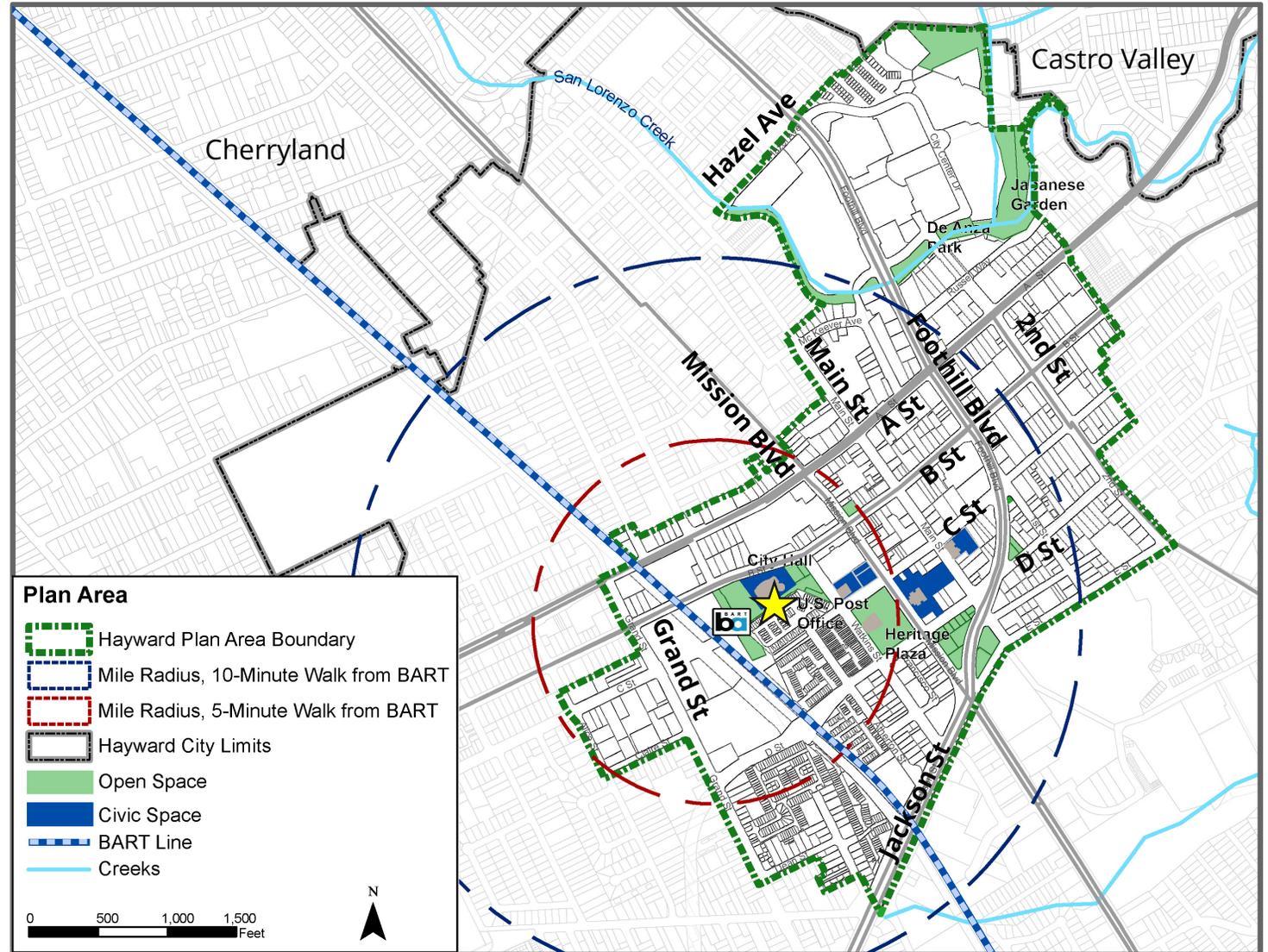
Above: 1074 B Street, Downtown Hayward

# PROJECT OVERVIEW

## PLAN AREA

- 320 acres
- 3,427 Units
- 1.9 Million Square Feet Non-Residential

 = We are Here

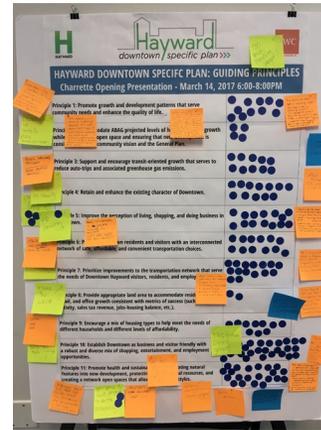


# COMMUNITY OUTREACH



# OUTREACH OVERVIEW

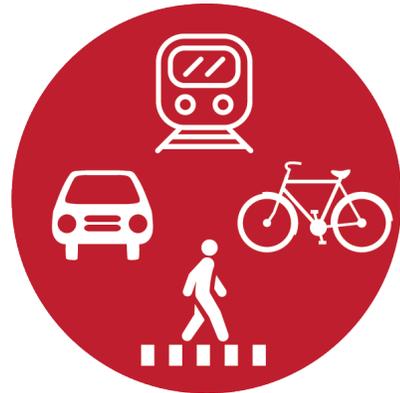
- 275+ Community Participants
- 15+ Public Events
- 20+ Hours One-on-one Interviews
- 4 Meetings with City Council
- Online Survey and Website



# GUIDING PRINCIPLES



**Promote  
Downtown as safe,  
lively, and  
business friendly**



**Improve the  
circulation  
network to better  
serve downtown  
businesses,  
residents, and  
visitors**



**Preserve the  
history, arts,  
culture of  
downtown**



**Build on and  
enhance natural  
features and open  
spaces**



**Establish  
downtown as a  
regional  
destination**

# LONG TERM VISION

**“ Downtown Hayward is a regional *destination*, celebrated for its distinct **history, culture, and diversity**; providing shopping, entertainment, and housing options for residents and visitors of all ages and backgrounds; that is accessible by bike, foot, car, and public transit. ”**

# DOWNTOWN SPECIFIC PLAN

# ORGANIZATION OF THE PLAN

## Chapter 1 Introduction

Plan area setting, key opportunities, and the public outreach overview

## Chapter 2 Vision & Community Design

Community's vision, public realm improvements, and land use plan

## Chapter 3 Mobility

Mobility plan- pedestrian, bicycle, transit, and automobile

## Chapter 4 Infrastructure & Services

Water, sewer, stormwater, and public facilities

## Chapter 5 Implementation

Goals, policies, programs, timeline, and funding sources

## Chapter 6 Development Code

Zoning regulations



### HAYWARD DOWNTOWN SPECIFIC PLAN

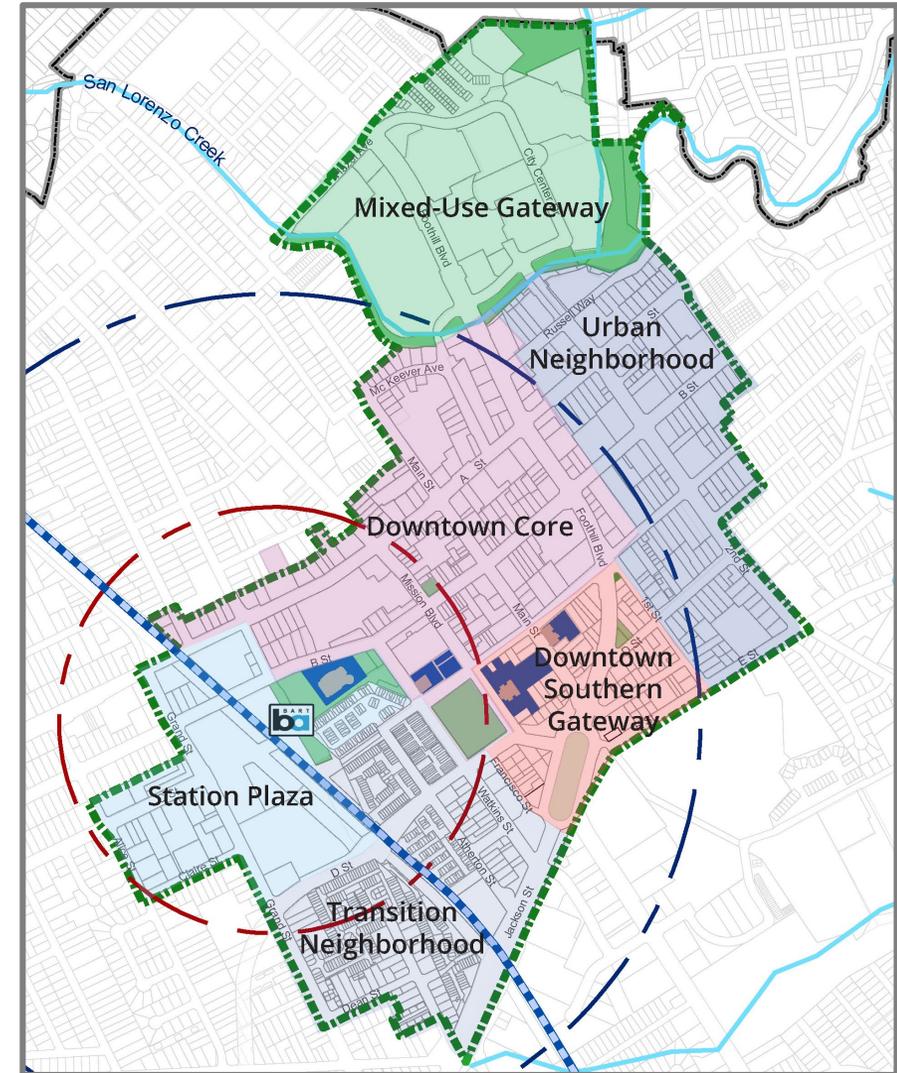
City of Hayward, California  
Public Hearing Draft | January 2019

# CHAPTER 2- VISION & COMMUNITY DESIGN

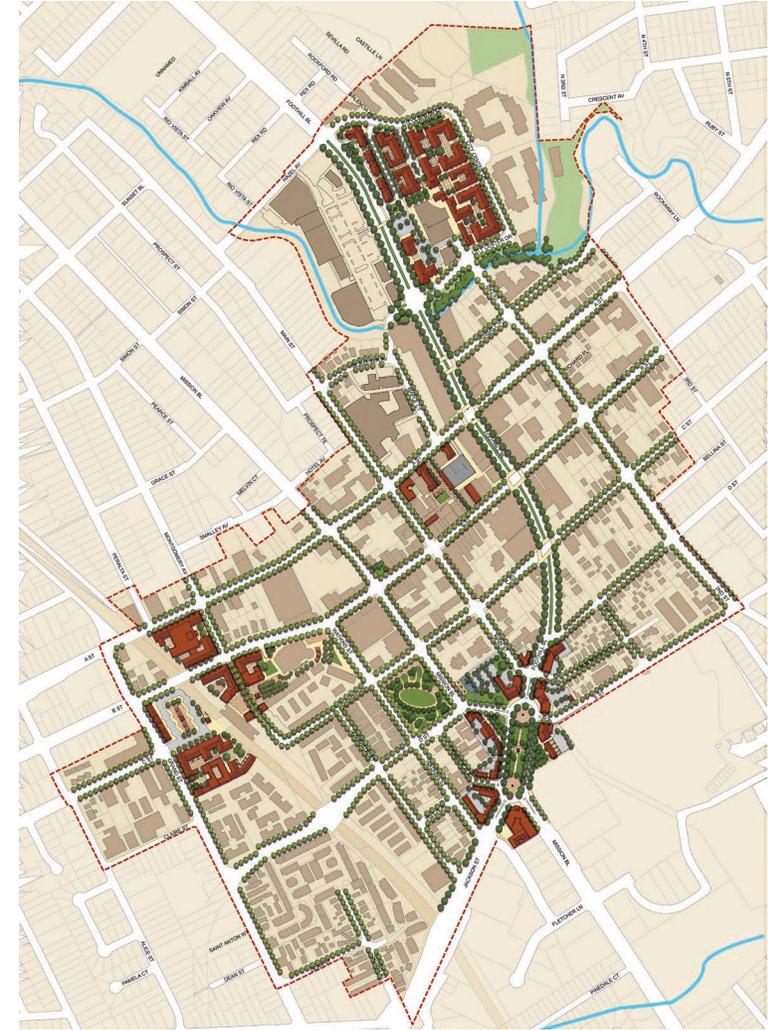
## LAND USE PLAN

Downtown is divided into five place types:

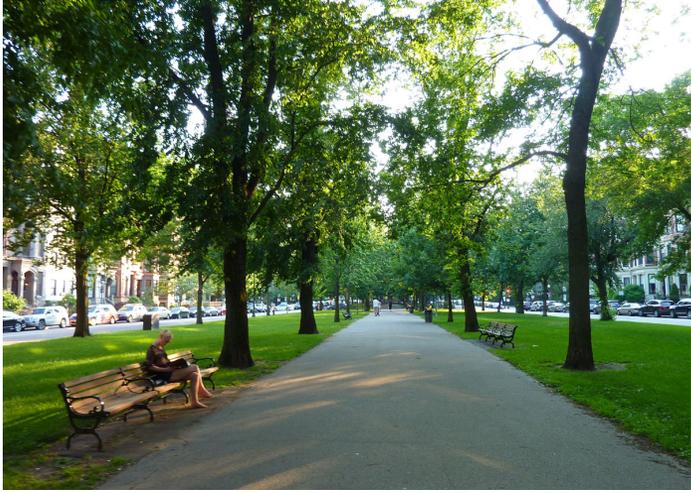
1. Mixed-Use Gateway
2. Downtown Core
3. Downtown Neighborhoods
4. Station Plaza
5. Downtown Southern Gateway



# CHAPTER 2- VISION & COMMUNITY DESIGN



# CHAPTER 2- VISION & COMMUNITY DESIGN



# CHAPTER 3 - MOBILITY

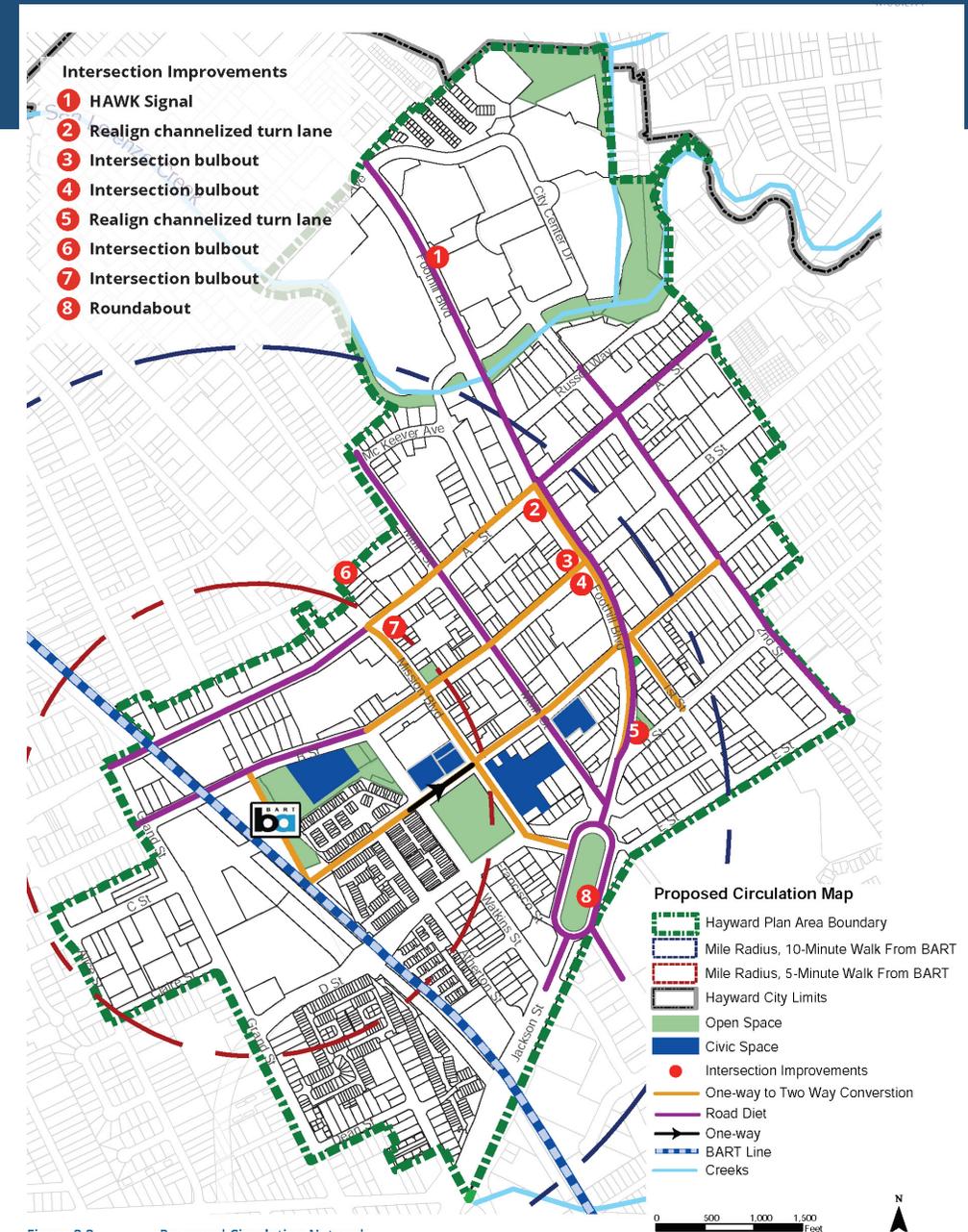
Short Term (Under 5 years)

Mid Term (5-10 years)

Long Term (11-15 years)

Final Vision Buildout (15-20 years)

*\* Implemented as funding is available or per Council priority*

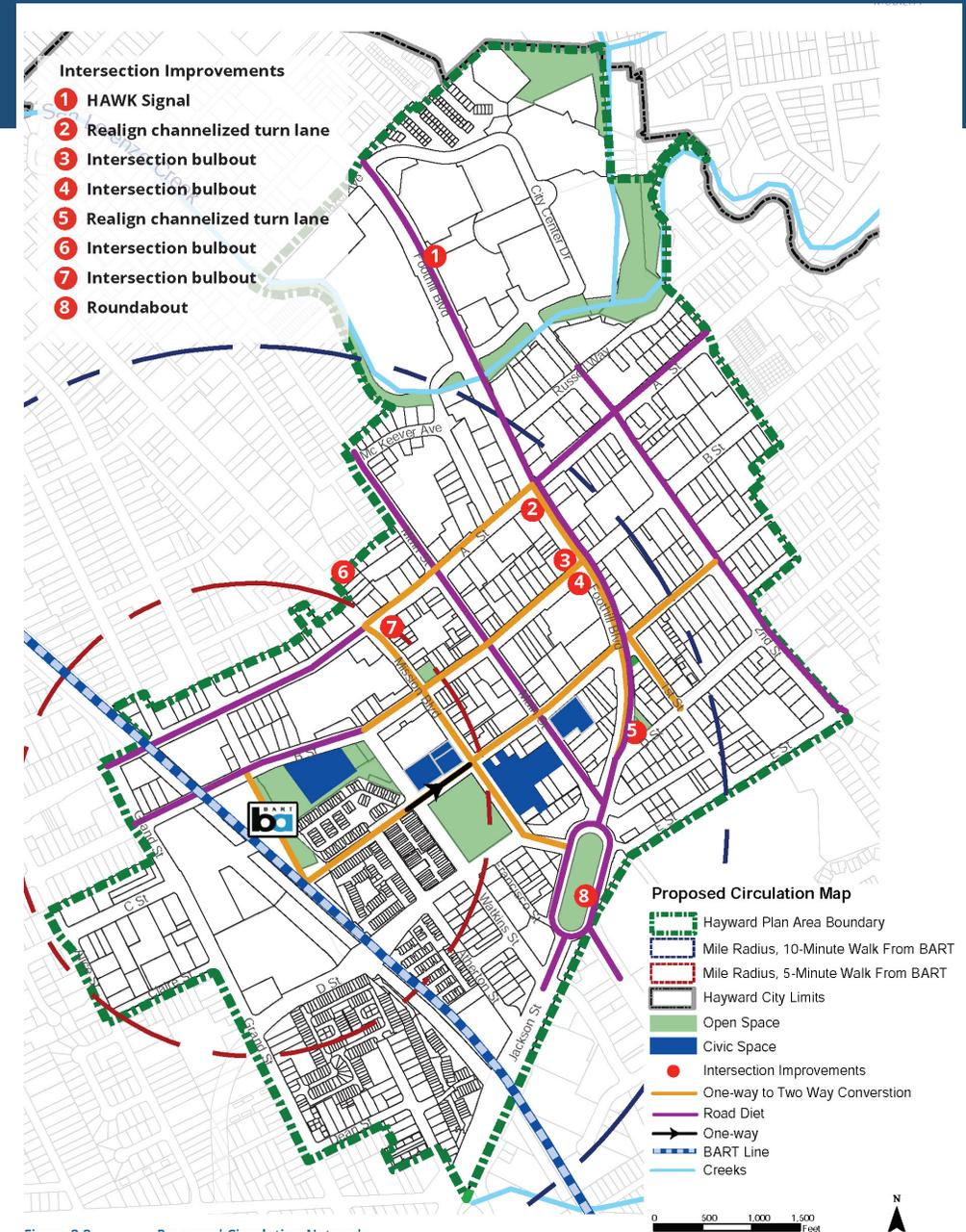


# CHAPTER 3 - MOBILITY

Short Term (Under 5 years) major elements include:

- Main St. Complete Streets project (construction estimated Fall 2020)
- Foothill and Mission Blvd single lane reduction and two-way cycle track

*\* Implemented as funding is available or per Council priority*

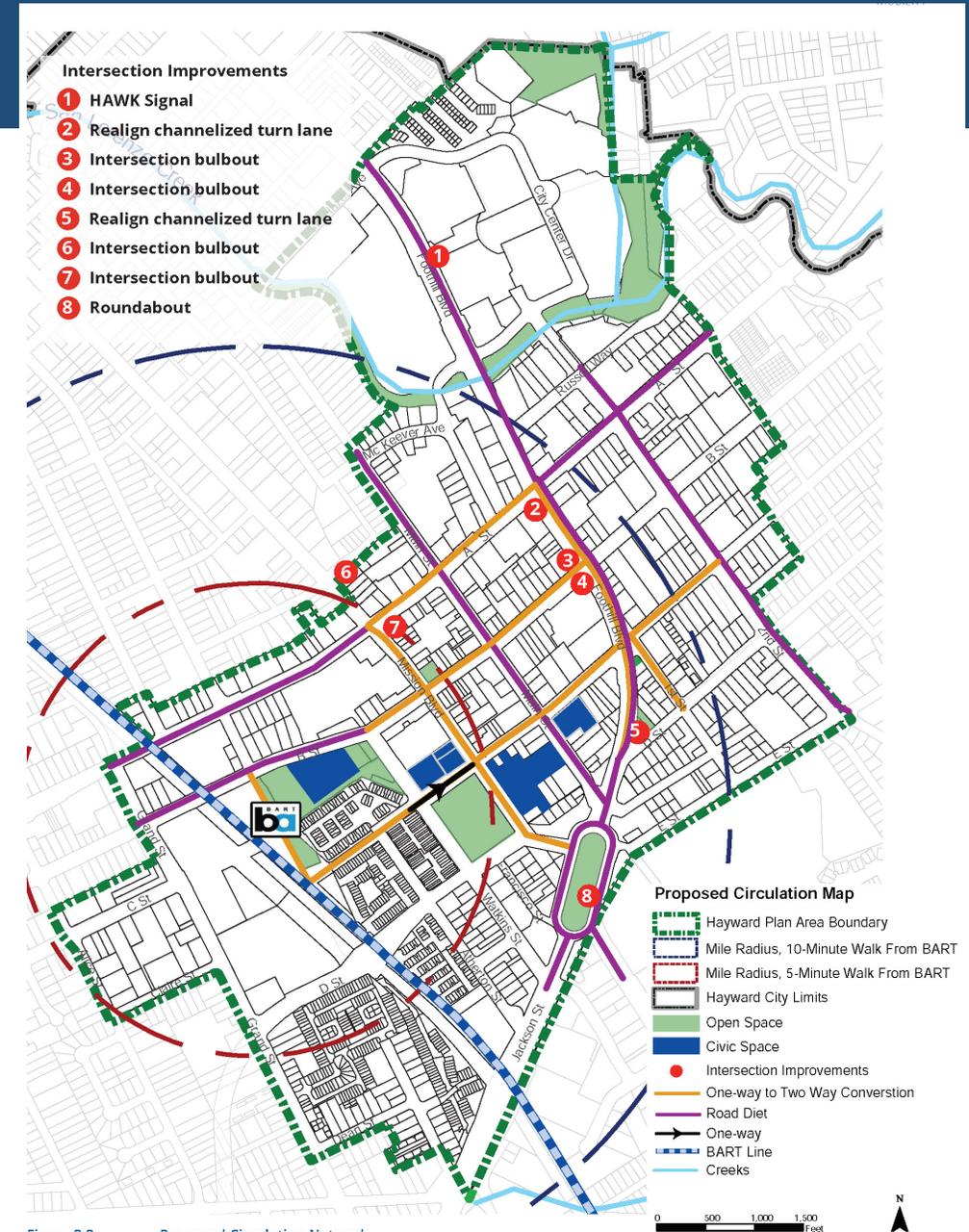


# CHAPTER 3 - MOBILITY

Mid Term (5-10 years) major elements include:

- A, B, C St. 2-way conversion
- Realign channelized turn pockets (at Foothill Blvd and A St. and Foothill Blvd and D St.)

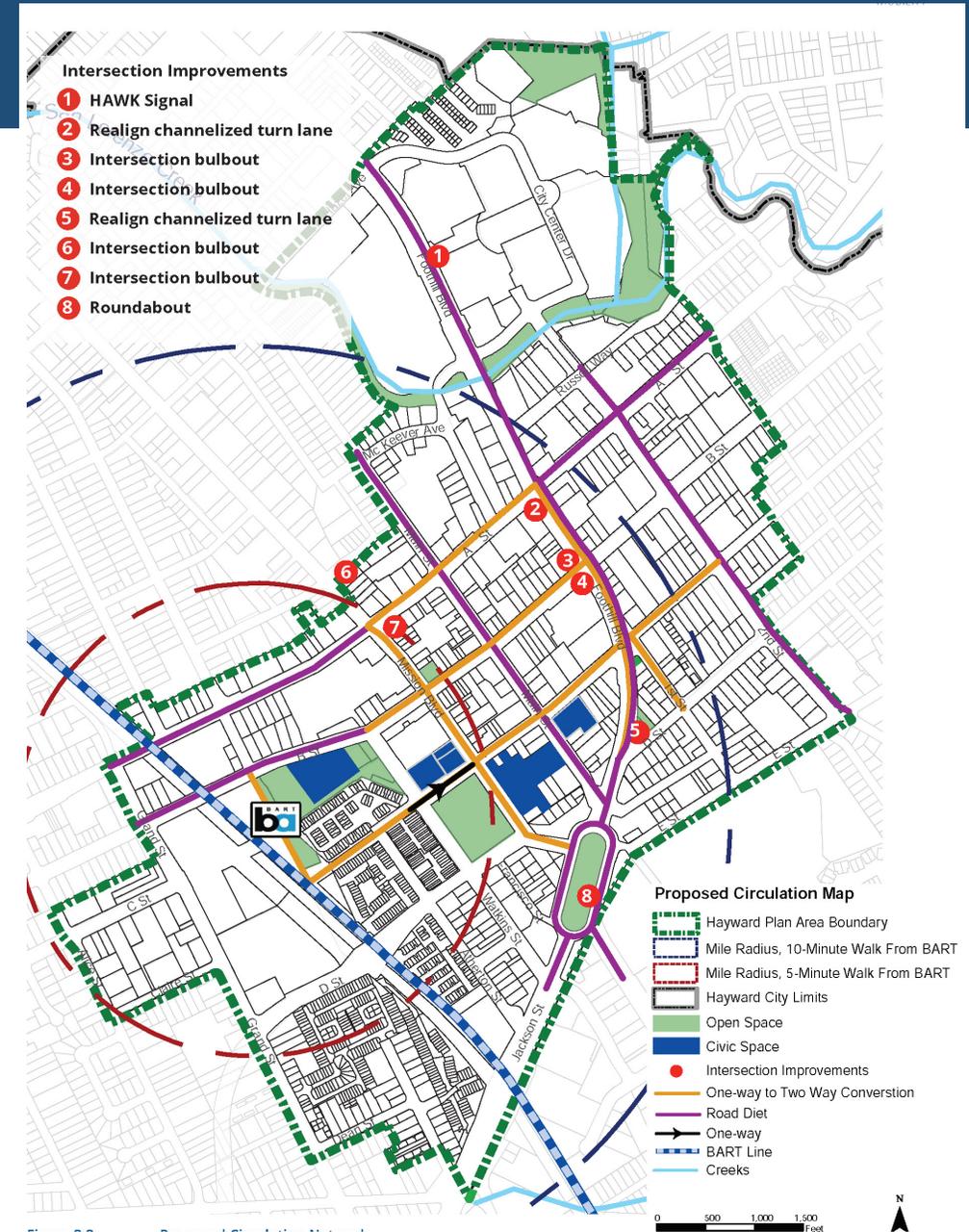
*\* Implemented as funding is available or per Council priority*



# CHAPTER 3 - MOBILITY

Long Term and Final Vision Buildout (11 - 20 years) major elements include:

- Mission Blvd and Foothill Blvd 2-way conversion
- Mission/Foothill Blvd roundabout intersection (At time of 2-way conversion, or later depending on design and funding)



# CHAPTER 3 - MOBILITY

Recommended public realm enhancements include:



## **Bulbouts.**

Painted bulbouts at corners, other temporary installation.



## **High-intensity Activated Crosswalk (HAWK)**

Pedestrian Signal on Foothill



## **Pedestrian Improvements.**

Parklets, lighting, benches (work with businesses to target locations)



## **Bicycle Improvements.**

Sidewalk bike racks, bike corrals at select parking spaces

*\* Implemented as funding is available.*

# CHAPTER 5 - IMPLEMENTATION & FINANCING

## GOALS

### Big Picture Direction for Downtown

1. Land Use
2. Community Design
3. Housing
4. Circulation
5. Parking
6. Economic Development
7. Infrastructure



# CHAPTER 5 - IMPLEMENTATION & FINANCING

## PROGRAMS

### Actions to achieve goals

- Responsible Party
- Timeframe
- Proposed Funding Source
- Guiding Principle

Goal 1: Land Use						
Downtown is transformed into a vibrant, walkable City center that serves as a regional destination to live, work, and play for City residents, neighboring communities, and local college students.						
Policy	Description	Program	Responsible Party	Timeframe	Proposed Funding Source	Guiding Principle
Policy LU 1 <b>Diversity of Uses</b>	Attract more downtown visitors, including families and college students and faculty from Cal State University, East Bay, and Chabot College, by offering a wide array of retail, dining, services, and entertainment uses that create a dynamic environment and depend on pedestrian foot traffic.	Program LU 1	PLD	Concurrent with Specific Plan Adoption	N/A	
Policy LU 2 <b>Transit Supportive Development</b>	Create an urban environment and development regulations in the Plan Area for transit supportive development that benefits from and promotes a rapid transit public transportation system.	Program LU 2	PLD	Concurrent with Specific Plan Adoption	N/A	
Policy LU 3 <b>Opportunity Sites</b>	Encourage the development and improvement of opportunity sites that have the potential to attract developer interest in the Downtown and generate more economic activity.	Program LU 3	PLD	Concurrent with Specific Plan Adoption	N/A	
Policy LU 4 <b>Marketing Campaign</b>	Support marketing programs that emphasize Downtown's unique economic opportunities and attractions and encourage the development of a unique brand that distinguishes the Downtown as the cultural and economic center of the City.					
Policy LU 5 <b>Consistent Citywide Policy</b>	Ensure that updates to Citywide policies and regulations support the Downtown vision, goals, and development standards.					

# CHAPTER 5 - IMPLEMENTATION & FINANCING

## PROGRAMS

**16%-** Concurrent with Specific Plan Adoption

**25%-** Short to Mid Term (0-4 years)

**27%-** Mid Term (5-10 years)

**3%-** Long Term (11+ years)

**29%-** On going

# CHAPTER 5 - IMPLEMENTATION & FINANCING

## **PROGRAMS-** General Plan Consistency Amendments

Program LU-6: Amend General Plan Land Use map.

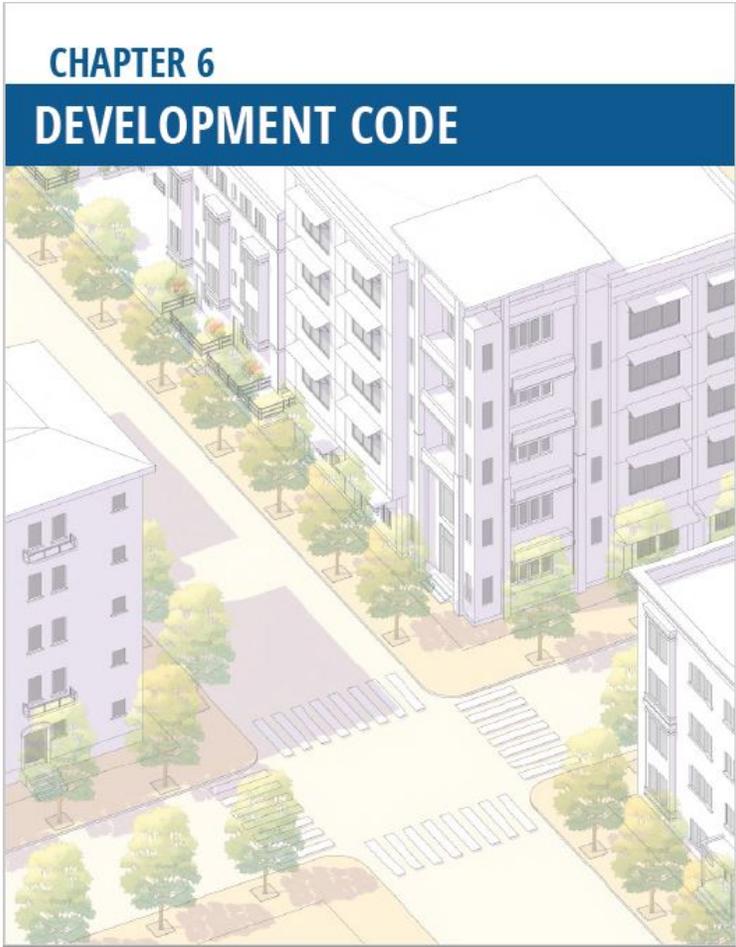
Remap Commercial/High Density Residential, Medium Density Residential, Parks and Recreation, and Sustainable Mixed Use as City Center- Retail and Office Commercial.

Program LU-7: Amend General Plan.

Amend City Center- Retail and Office Commercial to allow density up to 210 units per acre.

# DEVELOPMENT CODE

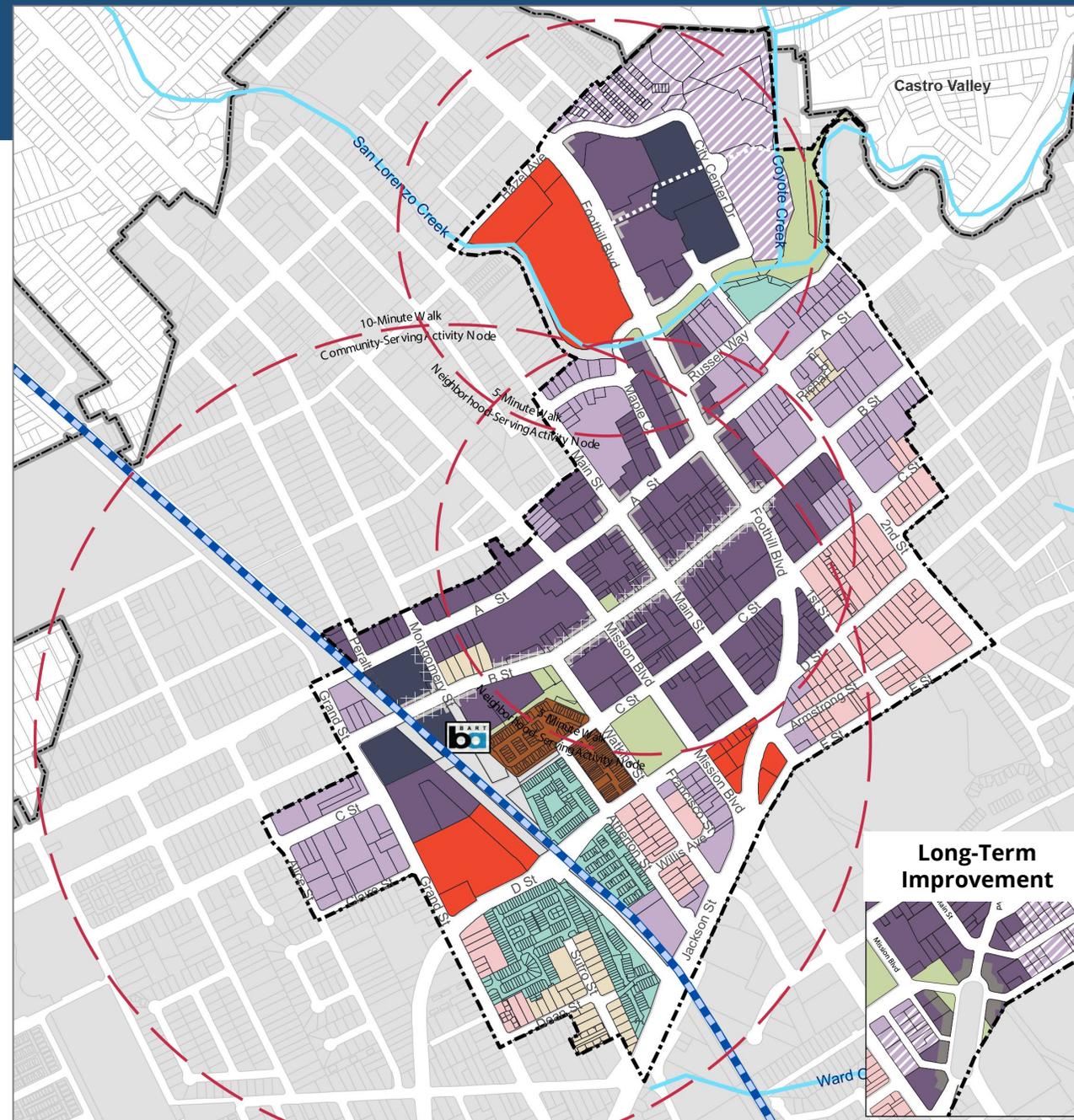
# WHY UPDATE THE ZONING CODE



**Implement the Vision**  
**Better Development**  
**Make the Process Easier**

# REGULATING PLAN

-  Neighborhood Edge
-  Neighborhood General
-  Urban Neighborhood
-  Urban Neighborhood Limited
-  Downtown Main Street
-  Urban Center
-  Central City Residential
-  Central City Commercial
-  Planned Development
-  Open Space
-  Pedestrian Easement
-  Required Shopfront Frontage (see 3.4.110)
-  10' Stepback
-  BART Line
-  Hayward DTSP Boundary
-  Hayward City Limits
-  Creeks



# BUILDING AND FRONTAGE TYPES



Rowhouse Building



Multiplex



Stacked Flats Building



Mid-rise Building



Porch



Stoop



Forecourt



Shopfront



Terrace

# SCHEDULE & NEXT STEPS

# SCHEDULE & NEXT STEPS

Event	Date
<b>Public Comment Period</b>	January 7, 2019 – February 20, 2019
<b>Planning Commission Meeting on Public Draft EIR</b>	February 14, 2019
<b>Planning Commission Hearing</b>	March 2019
<b>City Council Hearing</b>	April 2019
<b>Final Specific Plan and Code</b>	April 2019
<b>Bike &amp; Ped Master Plan</b>	Ongoing



***For More Information***

*Damon Golubics*

*Email- [damon.golubics@hayward-ca.gov](mailto:damon.golubics@hayward-ca.gov)*

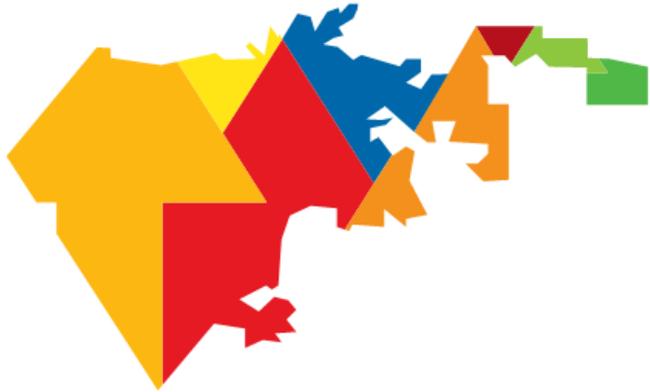
*Phone- (510) 583-4210*

*or visit*

*<http://www.hayward-ca.gov/your-government/boards-commissions/downtown-specific-plan-task-force>*

**ITEM 8 – PH 19-004**

**HAYWARD EXECUTIVE AIRPORT HANGAR  
RENTAL RATES – AMENDMENT TO FY 2019  
MASTER FEE SCHEDULE**



# **Hayward Executive Airport Hangar Rental Rates**

**January 15, 2019**

**Alex Ameri  
Interim Director of Public Works**

# Background

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- Airport Enterprise Fund
  - Financially self-sufficient
  - Relies on non-General Fund revenue to fund operating and capital costs
- Rental T-Hangars
  - Over 200 rental T-hangars
  - Council-approved process specifies rent adjustments
  - Includes CPI-based adjustments
  - Requires market study every four years
  - Last market study performed in 2007

# 2017 Airport Rent Study

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- Performed by Aviation Management Consulting Group (AMCG)
  - Highly competent and reputable
  - Possesses expertise in this field
- Compared hangar rates at comparable and competitive airports
- Determined that Haywards rents are well below market rate
- Gap was 51% for standard T-hangars; lower for other types

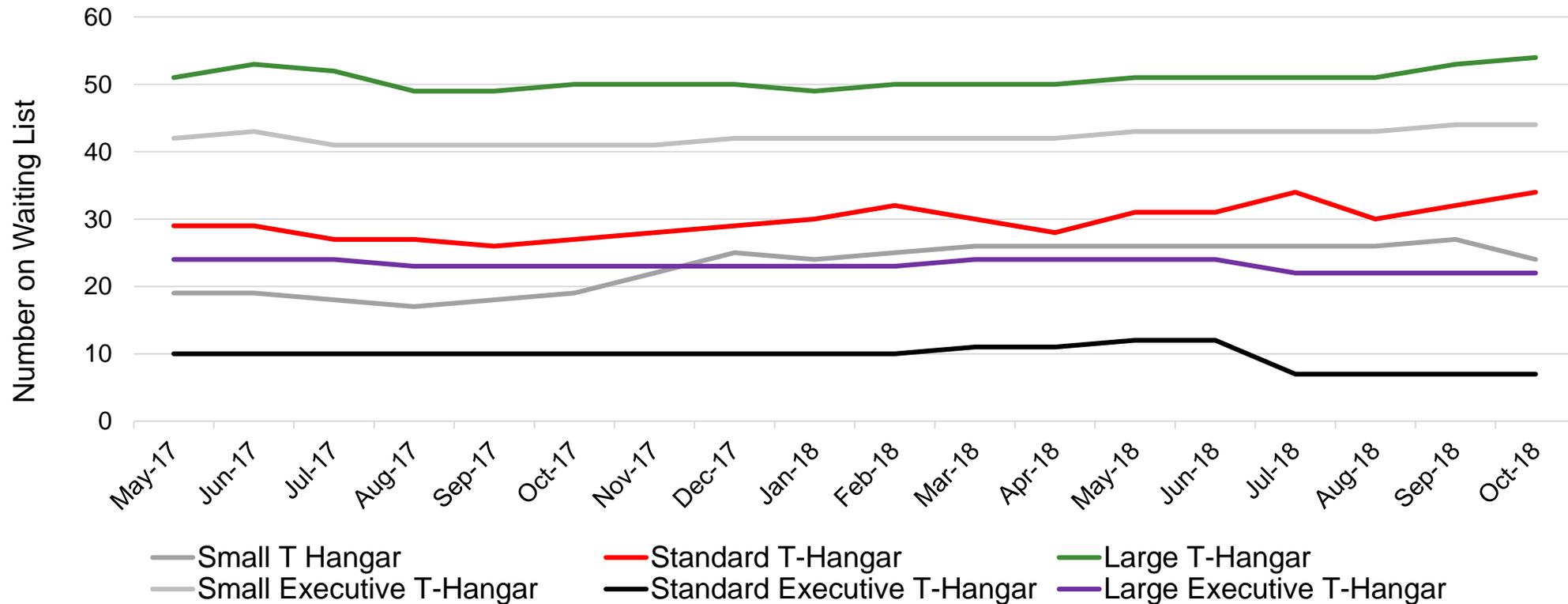
# FY 2018 Rate Adjustments

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- Recommendations and approved increases
  - Staff recommended 10% increases per year for five years
  - Council approved 10% increases for FY 2018 only
  - Conditioned future adjustments on maintaining high occupancy rates and waiting lists
  - Directed staff to discuss future rate increases with Airport community
- Council Airport Committee recommended increases of 10% per year at its April 12, 2018 meeting

# Hangar Demand Data

- Occupancy Rates – remain at 100% after rate increase
- Hangar Waiting List – no perceptible impact from rate increase



# Discussions with Airport Tenants

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- Alternative rate increase structures discussed at several meetings
- Productive and respectful communication
- Tenants requested consideration of further reductions in proposed adjustments
- Staff refined the proposed rates in response to tenant comments
- A number of tenants adamantly oppose any increases or propose a token adjustment

# Complaints to FAA

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- FAA financial assistance requires certain assurances from airports
  - Reasonable terms for public use
  - Available for all aeronautical activities without discrimination
  - Self-sustaining fee and rental structure
- A group of tenants filed complaint with the FAA in December 2017
- Allegations of non-compliance
  - Lack of transparency in Airport Rent Study consultant selection and retention
  - Unfair and discriminatory rate proposals
  - Lack of willingness by the City to negotiate and compromise
  - Plan to demolish City-owned hangars

# FAA Determination

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- Western Pacific Region, Airports Division of FAA conducted investigation
- FAA issued Informal Determination in September 2018
  - Refuted each and every allegation
  - Proposed rate adjustments deemed to be justified
  - No evidence of improper consultant selection and retention process
  - Adequate notice and opportunities for comments provided to hangar tenants
  - No evidence of plan to demolish hangars
- No further action required by FAA

# Proposed Hangar Rental Rates

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- 5% per year for standard size hangars
- 2.5% per year for all other sizes

T-Hangar Type	Current	2019	2020	2021	2022
Row "A" (Small)	\$266	\$273	\$280	\$287	\$294
Standard	\$374	\$393	\$412	\$433	\$455
Large	\$513	\$526	\$539	\$553	\$566
Executive (Small)	\$890	\$912	\$935	\$958	\$982
Executive I (Standard)	\$1,231	\$1,262	\$1,294	\$1,326	\$1,359
Executive II (Large)	\$1,343	\$1,377	\$1,411	\$1,447	\$1,483

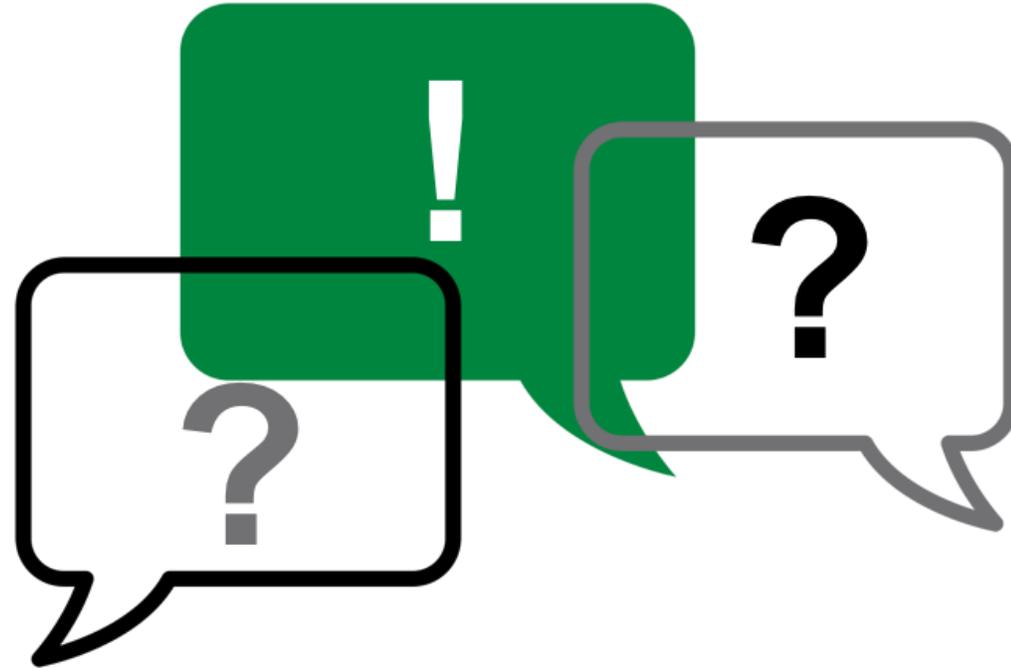
# Next Steps

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- FY 2019 rates effective on April 1, 2019 if approved
- Subsequent years increases effective on July 1 of each year
- Notices will be distributed to Airport tenants
- In Year 4, a new rate survey will be conducted

# Questions

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**ITEM 9 – LB 19-003**

**UPDATE ON COMMERCIAL CANNABIS PERMIT  
PROCESS AND FUTURE ROUNDS AND  
APPROPRIATION OF FUNDS FOR COMMERCIAL  
CANNABIS PERMIT PROGRAM SECOND TIER  
REVIEW**

# Commercial Cannabis Permit: Process and Future Rounds

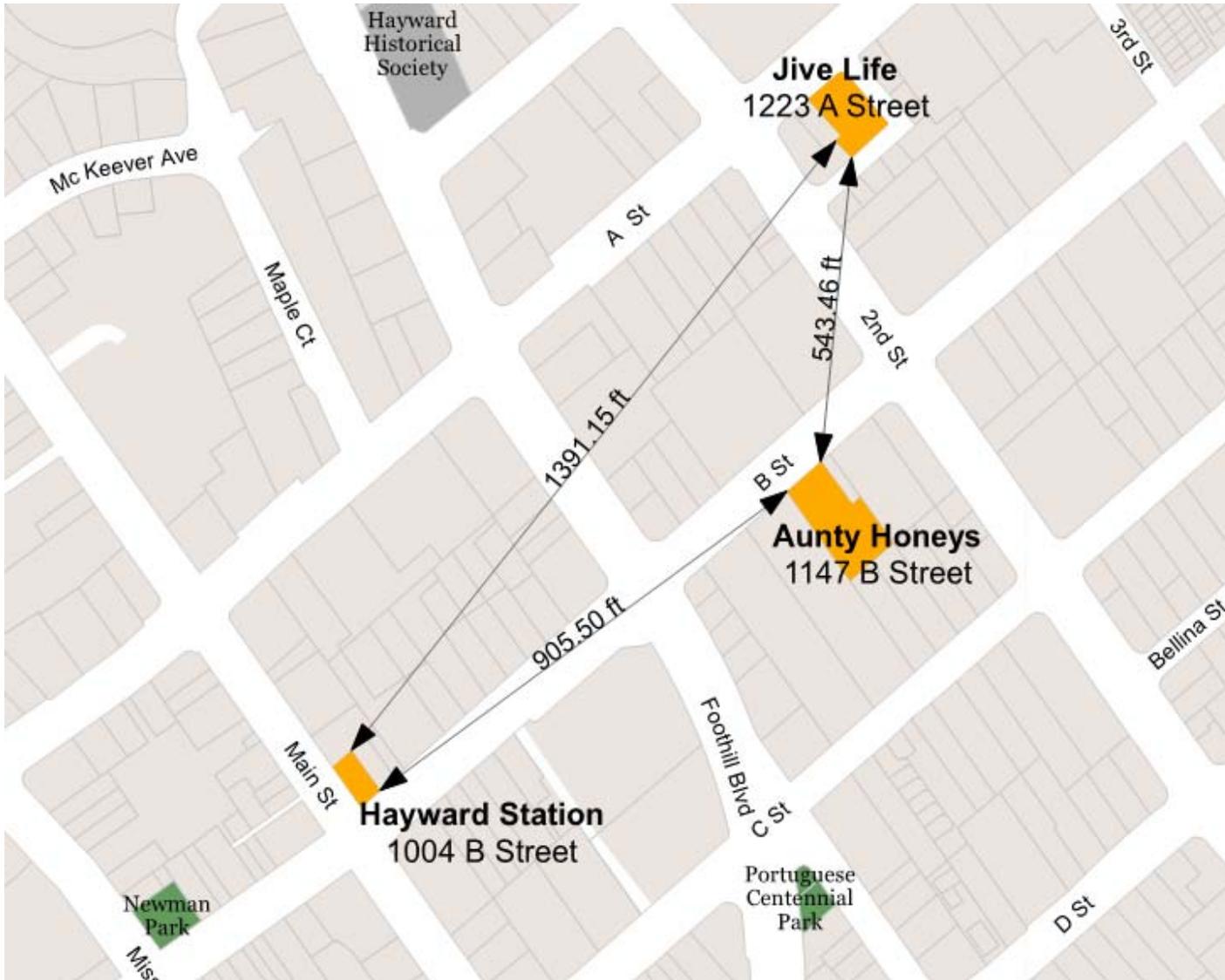
January 15, 2019  
Jeremy Lochirco, Principal Planner  
John Stefanski, Management Analyst II



# Required Buffer for Retail Dispensaries

# Cannabis Land Use Background

- Land Use Ordinance adopted in November 2017
- Retail Dispensaries required to observe 1,000 foot over-concentration buffer
- RFP released in December 2017; Three applicants selected with two applicants referencing site location
- Three dispensary applications submitted. The three applications are pending review or currently incomplete
- All three are located within 1,000 foot buffer from one another



# Policy Considerations

Staff seeks Council feedback on the following policy considerations for the Cannabis Retail Dispensaries:

1. Reduce or Eliminate the Over-Concentration Buffer
2. Add Flexibility to the Over-Concentration Buffer
3. Applications Processed First-Come, First-Served
4. Maintain the Over-Concentration Buffer

# Option 1: Reduce or Eliminate the Over-Concentration Buffer

- If Council does not believe the 1,000-foot over-concentration buffer is necessary, staff can process a zoning text amendment to reduce or eliminate the 1,000-foot requirement from the zoning ordinance.
  - Result in several dispensaries within close proximity of one another
  - Expand number of sites currently available
  - Reduction to a fixed number
  - Council could consider all three applications in current locations once zoning text amendment was completed (February/March 2019)

## Option 2: Add Flexibility Buffering Requirement

- State law requires cannabis businesses be subject to a 600-foot minimum setback from the sensitive land uses, unless reduced.
- Over-Concentration buffer is not State mandated
- Council could keep the 1,000 foot buffer but add flexibility, similar to 600-foot buffer from parks/children's playground areas
  - Provides Planning Commission or Council could reduce the 1,000-foot buffer if the Commission or Council finds that the public convenience and necessity will be served by an alternate distance requirement
  - All applications to be evaluated on case-by-case basis
  - Zoning text amendment would be required (February/March 2019)

# Option 3: Process Applications on First-Come, First-Served Basis

- Planning staff would continue to process all three land use applications and once the applications are deemed complete, forward the application(s) to the Planning Commission and City Council for consideration.
  - Any pending land use application which is not deemed complete and which conflicts with the over-concentration buffer at the time another land use application for retail dispensary is complete, would be rejected.
  - Council would only consider those applications which are deemed complete first and meet the 1,000-foot buffer requirement.
  - Possible that one or two applications could be rejected

# Option 4: Maintain the Buffer

- No changes in the Land Use Ordinance would be required
  - Applicants who observe the 1,000 foot separation would be processed
  - Applications within the 1,000 foot buffer would be forwarded with recommendation of denial due to inconsistency with Muni Code requirement
  - Possible that one or two applications could be rejected

# Commercial Cannabis Permit Program

Second Round Alternatives

# Policy Considerations

Staff Seeks Council feedback on the following policy considerations for the Commercial Cannabis Program **(CCP)**:

1. Expand Interview Score Thresholds (Round 1, Tier 2)
2. Eliminate Score Thresholds for Delivery Businesses
3. Develop FY2020 Round Two Request for Proposals (RFP)
4. Delay Second Round RFP for 6 or 12 months

# CCP Background

- CCP Program is a four stage process to select the best cannabis businesses
- Involves an extensive Request for Proposal
- First round yielded 77 applications, with 24 meeting City Manager set interview score thresholds.
- First round closed in July 2018
  - Approved 16 applications
- Each have until April 9, 2019 to submit Land Use Applications
  - 1 has been approved, 5 are under review

# Approved Businesses

#	Company	Recommended Use
1	Mijosa, LLC	Cultivation & Manufacturing
2	Empress Extracts	Cultivation
3	Hidden Farms, Inc	Cultivation
4	Stoned Aged Edibles Co, Inc.	Manufacturing
5	Green Haven, LLC	Delivery
6	CBRA, Inc.	Distribution
7	Manifest, LLC	Distribution
8	Vista Development Enterprises	Distribution
9	Green Grizzly	Microbusiness
10	Sticky Thumb Delivery	Microbusiness
11	American Holdings	Microbusiness
12	Harrens Laboratory	Testing Laboratory
13	Aunty Honey's	Retail
14	Jiva Life	Retail
15	Hayward Station	Retail

# Option 1: Expand Interview Thresholds

- Staff recommends creating a second tier of first round CCP applications to interview and bring to Council for approval.
- No new applications or changes to applications would be accepted.
- Applicants would pay \$5,000 refundable deposit for additional review.
- Goal is to bring more cannabis businesses to the City, while helping to motivate first tier businesses to submit their land use approvals.

# Option 1: Thresholds

Business Type	Score Range	Initial Score Threshold	New Score Threshold	Advancing Applications
Cultivation	239-798	650	525	5
Manufacturing	385-798	700	500	4
Distribution	578.5-890	800	700	6
Delivery	349-702	650	500	2
Microbusiness	170-755	650	500	5
			<b>TOTAL</b>	<b>22</b>

# Option 2: Eliminate Interview Thresholds for Delivery Businesses

- Cannabis delivery businesses increase access to cannabis without the land use impacts of traditional dispensaries.
- State legislature considered prohibiting any limits on cannabis delivery businesses (SB 1034 Lara).
- Eliminating interview thresholds for delivery businesses would increase second tier from 22 to 26 businesses.

# Option 3: Develop Round 2 RFP for FY2020

- Following Round 1, Tier 2 review, staff would prepare next open CCP application round.
- Would require additional Council work session to address minor regulatory changes.
- Council direction will result in FY2020 budget requests for staff and consultant expenditures.

# Option 4: Delay Second Round for 6 or 12 months

- Delaying second round would yield several organizational benefits:
  - Afford the Planning Division the time to review entire first round applications, metering the total impact on staff.
  - Allow the Police, Fire, and Code Enforcement to fine tune oversight and enforcement activities.
  - Provide opportunity for a more extensive programmatic and regulatory evaluation, resulting in a streamlined process and reduced impact on staffing.

# Summary of Action

## **Retail Dispensary Over-Concentration Buffer:**

- Option 1: Reduce or Eliminate the Over-Concentration Buffer
- Option 2: Add Flexibility to the Over-Concentration Buffer
- Option 3: Applications Processed First-Come, First-Served
- Option 4: Maintain the Over-Concentration Buffer

## **Second Round of CCP:**

- Option 1: Expand Interview Score Thresholds.
- Option 2: Remove Interview Thresholds for Cannabis Delivery Businesses
- Option 3: Develop Round Two Request for Proposals (RFP) for FY19/20
- Option 4: Place a 6 or 12-Month Moratorium on New Cannabis Uses

# Questions & Comments

