



SUBJECT

Adoption of the Downtown Specific Plan and Development Code and Certification of the Final Environmental Impact Report with Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program.

RECOMMENDATION

That the Planning Commission review and provide formal recommendation to the City Council on the following based on the attached findings and analysis within this report:

1. Certification of the Environmental Impact Report (EIR) as being prepared in accordance with the California Environmental Quality Act and City implementing guidelines; adoption of the Statement of Overriding Considerations; and approval of the Mitigation Monitoring and Reporting Program, based on the attached findings;
2. Approval of the Downtown Specific Plan and Code, as recommended by staff; and
3. Adoption of proposed map amendments to the City's Zoning Map for certain properties within the Specific Plan Area.

SUMMARY

The Planning Commission is being asked to review and provide formal recommendation to City Council on the adoption of the Downtown Specific Plan and related Development Code; Certification of the Final Environmental Impact Report with Statement of Overriding Consideration and Mitigation Monitoring and Reporting Program, and amendments to the Official Zoning Map to reflect new land use designations being proposed by the Plan. City staff and the consulting team will also present an overview of changes that were made to the Public Review Draft Specific Plan and Code and other correspondence received by the public during the public review period of the Draft Environmental Impact Report (DEIR). The Final Environmental Impact Report (FEIR) also includes a formal response to all public comments received, consistent with requirements of the California Environmental Quality Act (CEQA).

Completion of the Downtown Specific Plan is a City Council priority establishing a framework of goals and policies that help create a safe, comfortable, and vibrant mixed-use environment that promotes the pedestrian experience and encourages walking, sidewalk dining, window shopping, and social interaction. Providing a better pedestrian experience will be achieved through the implementation of phased infrastructure improvements to slow vehicular traffic down within the Plan area, specifically on major thoroughfares in Downtown. The Plan will also revitalize and enhance Downtown to accommodate and encourage growth within compact, mixed-use, and walkable neighborhoods that are located near the City's job centers and regional transit facilities. The Plan will also help facilitate

private-sector investment in the downtown to provide a safe, vibrant, and prosperous arts and entertainment district that offers enhanced shopping, dining, recreational, and cultural experiences and events for residents, families, college students, and visitors.

BACKGROUND

Lisa Wise Consulting officially began working on the Downtown Specific Plan project on September 13, 2016 and all consultant work to date has been in conformance with the approved project Scope of Work. This staff report contains some targeted background information that serves as context to the project, including outreach efforts.

Hayward's Downtown Specific Plan. The Downtown Specific Plan and Code (Attachment III) lays out a strategy, or guiding purpose, to achieve the community's vision of a resilient, safe, attractive, and vibrant historic Downtown. The implementation plan outlined in the staff report, delineates an inclusive, multi-modal circulation system, integrated public open spaces, and outlines proposed new regulations to establish Downtown Hayward as the heart of the City and a destination for visitors and residents. It is important to note that the Downtown Specific Plan is a critical first step that outlines a "strategy" and "vision," which will eventually be realized through future private development projects that will come before the Council and/or the Planning Commission with more specificity. The goals outlined in the Plan are expected to be achieved through conditions of approval on development or future City-initiated Capital Improvement Program (CIP) projects where more detailed plans will be crafted and reviewed by Council.

The Plan area encompasses 320 acres bounded loosely to the west by Grand Street, south by E Street, east by 3rd Street, and north by Hazel Avenue. The Downtown Specific Plan was crafted to guide initiatives and investments that would capitalize on the City's unique assets, such as its central location in the Bay Area, its proximity to educational institutions, the Downtown Hayward Bay Area Rapid Transit (BART) station, parks, creeks and public gardens, a compact street grid, historic buildings, and extensive public art.

In mid-2016, the City initiated development of the Specific Plan and Code, which includes the development of a programmatic EIR that was funded primarily by a grant from the Alameda County Transportation Commission (ACTC). The Downtown Specific Plan and Code aims to provide further clarity and implementation steps for the goals and policies put forth in the *Hayward 2040 General Plan*.

Specific Plans. Specific Plans enable a community to articulate a vision for a defined geographical area and help cities to develop goals, policies, and implementation strategies to achieve desired outcomes in a coordinated manner. Pursuant to California law (Government Code Section 65450-65457), Specific Plans are required to include the following components:

1. *The distribution, location, and extent of land uses within the plan area.*
2. *The proposed distribution, location, and extent and intensity of major components of public and private investment needed to support the land uses described in the plan.*
3. *Development standards and review criteria.*

4. *Implementation measures including regulations, programs, projects, and financing measures.*

The proposed Downtown Specific Plan and Code includes all important components mentioned above. Implementation of project or program level details associated with the Specific Plan and Code will be through subsequent actions such as CIP projects or future private development where Plan elements can be carried out through specific conditions of approval for those projects.

Community Outreach and Public Meetings. On September 13, 2016, Lisa Wise Consulting officially began work on the Downtown Specific Plan project. Following a project kickoff meeting on September 9, 2016, the first Downtown Specific Plan Task Force meeting took place December 12, 2016, and a second Task Force meeting was held on January 23, 2017.

The first Community Workshop was conducted on January 25, 2017 and this was the first opportunity for the public to provide feedback and share ideas about what downtown could be and enabled participants to work with other community members to share their priorities and vision for the Plan area. Approximately 85 to 90 community members attended the first workshop and provided input.

Between March 14, 2017 and March 28, 2017, the City held a five-day design charrette at the Masonic Lodge downtown, which afforded members of the public and key stakeholders with an interactive opportunity to provide input on the future vision for the Downtown. The charrette was instrumental in creating the preferred Plan alternatives, preferred alternative frameworks, and included an online forum, along with Task Force meetings and joint City Council/Planning Commission study sessions, to help develop and guide a new vision for Downtown Hayward.

On October 24, 2018 and November 28, 2018, the City Council's Infrastructure Committee held public hearings to review and provide feedback on the proposed circulation improvements for the Plan Area.

On January 12, 2019, a Community Open House was held in the City Hall Rotunda, which allowed residents, businessowners, downtown property owners, and other interested stakeholders the opportunity to review the public draft of the Downtown Specific Plan and Code. Key city staff and the consultant team were on hand to discuss the draft Plan and related development Code. It was estimated that over a hundred persons attended this community open house.

On January 15, 2019, the City Council¹ held a work session on the draft Plan and provided comments and feedback. On February 14, 2019, the Planning Commission² held a public

¹ City Council Work Session 1/15/19:

<https://hayward.legistar.com/View.ashx?M=E3&ID=655077&GUID=C658C300-8AAA-4581-94DC-28AC5D713F7D>

² Planning Commission Meeting 2/14/19:

<https://hayward.legistar.com/View.ashx?M=E3&ID=655759&GUID=AB022CE9-0E6D-438C-9EC3-7CBA4869F7A0>

hearing to discuss the Draft EIR for the project, where comments on the environmental analysis and associated impacts from the Specific Plan were presented.

Additional Outreach Efforts: A Notice of Public Hearing for this Planning Commission meeting was published in the *East Bay Times* newspaper on Friday March 15, 2019. Additionally, the City's public and media relations staff sent out notifications on the Open House and City Council work session to approximately 50,000 residents, business owners and other stakeholders. Individuals were notified by the various popular social media platforms, email notifications blasts, and public announcements from other City-sponsored Commission and Committee meetings.

PROJECT DESCRIPTION

Currently, there are six (6) separate land use documents that regulate development and establish land use policies/goals for areas within Downtown Hayward. This number of documents makes it difficult to implement a consistent vision for various projects in the City. One of many reasons for the City to craft a new Downtown Specific Plan is to make it easier for everyone interested in doing business in Downtown to comply with the goal of a more dynamic shopping, entertainment and arts district.

The Downtown Specific Plan and Code provides a strategy to achieve the community's vision of a resilient, safe, attractive, and vibrant historic Downtown by clearly outlining an implementation plan, delineating an inclusive, multi-modal circulation system, integrating public open spaces, and establishing new regulations that clearly establish Downtown Hayward as the heart of the City and a destination for visitors and residents.

The Plan guides initiatives and investments that capitalize on the City's unique assets, such as its central location in the Bay Area, its proximity to educational institutions, the Downtown Hayward Bay Area Rapid Transit (BART) station, the beautiful parks, creek and public gardens, the compact street grid, the historic buildings, and the extensive public art. The Plan Area encompasses 320 acres bounded loosely to the west by Grand Street, south by E Street, east by 3rd Street, and north by Hazel Avenue.

The City of Hayward initiated the Specific Plan and Code in August 2016. The project, which also includes the development of a programmatic Environmental Impact Report (EIR), is funded primarily by a grant from the Alameda County Transportation Commission (ACTC). Under California law, specific plans enable a community to articulate a vision for a defined area and develop goals, policies, and implementation strategies to achieve desired outcomes in a coordinated manner. The Downtown Specific Plan and Code aims to implement the goals and policies of the *Hayward 2040 General Plan*. A summary of the proposed Plan and Code revisions is included as Attachment II.

Additional Park and Open Space Areas: One of the key areas of opportunity that was raised by the City Council at the January 15 work session and members of the public including the Prospect Hill Neighborhood Association at Planning Commission hearings for the Lincoln Landing project, is the need for strategically placed parks and east-west trail connections within the Plan area. This goal was also included in the HARD (Hayward Area Recreation

District) draft Parks Master Plan. Specifically, there is a documented shortfall of park and open space areas within the Specific Plan area, resulting in “significant coverage gaps”, as defined in draft Parks Master Plan, as the downtown area has been identified as a regional “destination”, including parks.

HARD’s draft Park Master Plan suggests that “the District (HARD) should refer to the City of Hayward General Plan, . . . and master plans for the Priority Development Areas (PDAs) in the City of Hayward as guides for park locations. For future parks at infill sites, it may be valuable to engage experts in brownfield redevelopment as needed.” The proposed Downtown Specific Plan and Code does allow “Public Park/Public Gathering” uses or “Land Use Type” in all proposed zoning district classifications as a “Permitted” use to help facilitate the development of new park and open space areas, which should help increase the overall number of new parks and open spaces areas in the Specific Plan area.

Sustainability Features of the Plan: Sustainability features are being developed as part of the Plan process, specifically with input from the public and the City’s Sustainability Committee. Lisa Wise Consulting subconsultant Sherwood Design Engineers is actively involved with incorporating sustainable infrastructure concepts and design alternatives for the Downtown Plan area. Some of these concepts were discussed in more detail at the October 24, 2018 Council Infrastructure Committee (CIC) meeting.³

POLICY CONTEXT AND CODE COMPLIANCE

Hayward 2040 General Plan: The development of the Downtown Specific Plan is the result of a land use policy in the *Hayward 2040 General Plan*⁴ which states “the City shall develop, maintain, and implement a Specific Plan to establish a vision for Downtown Hayward and to guide and regulate future development and infrastructure improvements.” Aside from this land use policy, the Downtown Specific Plan and related Development Code are consistent with several other General Plan goals and policies, including:

Goal LU-2: Revitalize and enhance Hayward’s Priority Development Areas to accommodate and encourage growth within compact, mixed-use, and walkable neighborhoods and districts that are located near the city’s job centers and regional transit facilities.

LU-2.1 Downtown Arts and Entertainment: The City shall encourage private-sector investment in Downtown to transform it into a safe, vibrant, and prosperous arts and entertainment district that offers enhanced shopping, dining, recreational, and cultural experiences and events for residents, families, college students, and visitors.

LU-2.2 Downtown Activities and Functions: The City shall maintain the Downtown as a center for shopping and commerce, social and cultural activities, and political and civic functions.

³ CIC Staff Report October 24, 2018:

<https://hayward.legistar.com/View.ashx?M=F&ID=6688326&GUID=517A170F-1019-49A1-B04F-8F2BB581C8B1>

⁴ Hayward 2040 General Plan:

https://www.hayward-ca.gov/sites/default/files/documents/General_Plan_FINAL.pdf

LU-2.3 Downtown Pedestrian Environment: The City shall strive to create a safe, comfortable, and enjoyable pedestrian environment in the Downtown to encourage walking, sidewalk dining, window shopping, and social interaction.

LU-2.4 Downtown Retail Frontages: The City shall require retail frontages and storefront entrances on new and renovated buildings within the “retail core” of Downtown Hayward, which includes properties along:

- “A” Street between Mission Boulevard and Foothill Boulevard
- “B” Street between Watkins Street and Foothill Boulevard
- “C” Street between Mission Boulevard and Foothill Boulevard
- Main Street between “A” Street and “C” Street
- Mission Boulevard between “A” Street and “C” Street
- Foothill Boulevard between “C” Street and City Center Drive

LU-2.5 Downtown Housing: The City shall encourage the development of a variety of urban housing opportunities, including housing units above ground floor retail and office uses, in the Downtown to:

- Increase market support for businesses,
- Extend the hours of activity,
- Encourage workforce housing for a diverse range of families and households,
- Create housing opportunities for college students and faculty, and
- Promote lifestyles that are less dependent on automobiles.

LU-2.6 Downtown BART Station: The City shall encourage a mix of commercial, office, high-density residential, and mixed-use development in the area surrounding the Downtown BART Station.

These key General Plan goals, policies and programs, along with City Council, Planning Commission, Downtown Specific Plan Task Force, helped with the development of the Downtown Specific Plan, which should help facilitate new goals, policies and objectives for the Downtown for the next 20 to 30 years.

Development Zoning Code: As part of the Downtown Specific Plan effort, a new and much more user-friendly zoning code was developed. Each new “downtown zone” is established based on the intent of the desired physical form and character of particular environments envisioned in the Downtown Specific Plan. These zones primarily focus on mixed-use, walkable areas of Downtown, and range in function and intensity from the lowest intensity (Neighborhood Edge), to moderate intensity neighborhoods (Urban Neighborhood) to higher intensity commercial, retail, and residential areas along corridors (Downtown Main Street and Urban Center). The naming of the zones is based on an overall spectrum of context types from less urban to more urban in Hayward. The standards in each zone reflect the community's vision for implementing the General Plan and within the Downtown Plan to create more walkable, urban environments. These standards are intended to promote development that establishes and reinforces the highly valued character and scale of Downtown Hayward and the adjacent neighborhoods.

The new zoning standards apply to all proposed development within downtown zones. The new zoning criteria addresses the primary building type; frontage types; and land uses. Building types, frontage types, and land uses which are not listed in a zone's standards are not allowed in a particular zone. Sites that are three acres or larger are subject to additional design standards that will ultimately yield better developments. The proposed Code provides much more guidance and specificity regarding how to develop projects Downtown than any other existing zoning code currently in use by the City of Hayward, which is something much sought after by developers, businessowners, and others with a stake in the future of Downtown Hayward.

Council Strategic Priorities: The Downtown Specific Plan project supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities initiative is to create and support services and amenities that provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work and play for all. This project supports the following goals and objectives:

- Goal 1: Improve quality of life for residents, business owners, and community members in all Hayward neighborhoods.
- Objective 4: Create resilient and sustainable neighborhoods.
- Goal 2: Provide a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing opportunities and resources.
- Objective 2: Facilitate the development of diverse housing types that serve the needs of all populations.

The Downtown Specific Plan project also supports the Complete Streets Strategic Initiative. The purpose of the Complete Streets Initiative is to build streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability, including pedestrians, bicyclists, public transportation riders and motorists. This project supports the following goal and objective:

- Goal 1: Prioritize safety for all modes of travel.
- Objective 3: Ensure that roadway construction and retrofit programs and projects include complete streets elements.

It is envisioned that the Plan will create new employment and housing opportunities near public transit stops and provide a mix of housing in the City. The Plan will require mobility improvements to safely accommodate various modes of transportation in support of a mix of uses in the Plan area.

STAFF ANALYSIS

Following numerous public meetings and significant opportunities for public input and engagement, staff believes the Downtown Specific Plan will help provide a new vision for

Downtown Hayward that will magnify the qualities and character that make the downtown a unique asset for the City, while developing to become a regional destination for the Bay Area. The Plan vision is based on thoughtful community input and was guided by the five community-derived Guiding Principles for the project:

- Promote Downtown as safe, lively, and business friendly
- Improve the circulation network to better serve Downtown businesses, residents, and visitors
- Preserve the history, arts, and culture of Downtown
- Build on and enhance natural features and open spaces
- Establish Downtown as a regional destination

The Specific Plan builds on recent revitalization efforts and repositions the Downtown as a regional urban destination, rather than a bypass for motorists passing through. The Plan envisions downtown streets as public spaces that are safe and comfortable for people walking and bicycling, efficient and convenient for people taking transit, and accommodating to people driving automobiles at a safe speed. By providing safe and convenient walking and biking facilities and supporting better transit service, residents and visitors are more likely to walk, bike, or take transit to their downtown destinations. Moreover, prioritizing multi-modal mobility and access helps to achieve broader community goals of livability, environmental sustainability, and economic development.

The Plan Area within the City is supported by public services and a network of utilities that protect and provide for the community. The physical and economic growth of this neighborhood is dependent on this network and on the availability of adequate resources needed to allow the City to grow in a sustainable manner. This Plan realizes that the vision for Downtown will require investments into this system to ensure that the basic needs of current and future residents, workers, and visitors are met. This will be manifested through the development and implementation of sustainable systems and infrastructure at all scales to support the functionality of a revitalized public realm in Downtown Hayward.

Lastly, the goals, policies, and programs reflect the comprehensive and community-driven nature of the Downtown Specific Plan and address topics of land use, community design, housing, circulation, travel demand management, economic development, and infrastructure and public facilities. While the goals, policies, and programs are organized by these topics, many are inextricably linked. Together the goals, policies, and programs are intended to capture the community's values, vision, and priorities for the Plan Area.

Staff has included additional analysis and findings to support the adoption of the proposed rezoning changes as Attachment VII.

ENVIRONMENTAL REVIEW

A Notice of Availability was sent to all interested parties, local agencies, those who commented on the EIR Notice of Preparation, members of the Downtown Specific Plan Task Force, and members of the Hayward community requesting such notification. City staff also

held a Community Open House event on Saturday, January 12, 2019 at City Hall for the community to learn more about the draft Downtown Specific Plan and the associated DEIR.

On January 7, 2019, the Draft Downtown Specific Plan document was released for public review and comment as was the DEIR for the project. This document release initiated the required minimum 45-day public review period pursuant to the California Environmental Quality Act, or CEQA. The DEIR review period ran from January 7, 2019 through February 20, 2019.

An Environmental Impact Report (EIR) is an informational document which informs public agency decisionmakers and the public generally of the significant environmental effects of a project, identifies possible ways to minimize the significant effects, and describes reasonable alternatives to the project. The Draft EIR for the draft Downtown Specific Plan has been prepared in accordance with CEQA and analyzes the potential environmental impacts associated with the proposed draft Downtown Specific Plan and Code. The DEIR analyzes impacts in the following topic areas at the program level rather than the project-specific level. The scope of the EIR was established by the City of Hayward through the EIR scoping process and includes an analysis of the impacts from the proposed project and cumulative impacts in the following areas:

- Aesthetics
- Air quality
- Biological resources
- Cultural and Tribal Cultural Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality
- Land Use and Planning
- Noise
- Population and Housing
- Public Services and Recreation
- Transportation and Circulation
- Utilities and Service Systems
- CEQA-Mandated Assessment Conclusions
 - Impacts Found Not to Be Significant
 - Significant Unavoidable Impacts
 - Growth-Inducing Impacts
- Significant Irreversible Changes

As explained in the Environmental Evaluation (Chapter 4) section of the Draft EIR, adoption and implementation of the proposed project would have no impact to Agriculture, Forestry, and Mineral Resources, therefore, no detailed analysis discussion is warranted.

For the majority of the potential impacts, the proposed General Plan policies “self-mitigate” and impacts are reduced to a less than significant level. Section 15126.2(b) of the CEQA

Guidelines require that an EIR describe any significant impacts that cannot be avoided, even with the implementation of feasible mitigation measures. For the Downtown Specific Plan, there are four areas within the DEIR that identified significant and unavoidable environmental impacts related to air quality, greenhouse gas emissions, noise, and transportation/circulation. Staff has listed those significant and unavoidable areas below and are also shown in Table 6-1 of the DEIR:

Air Quality

- *Impact AQ-2.1:* Construction activities associated with implementation of the proposed Specific Plan could potentially violate an air quality standard or contribute substantially to an existing or projected air quality violation.
- *Impact AQ-2.2:* Operation of development projects accommodated under the proposed Specific Plan could contribute to an existing or projected air quality violation.
- *Impact AQ-3:* Future potential development projects associated with the proposed Specific Plan could cumulatively contribute to the non-attainment designations of the San Francisco Bay Area Air Basin.
- *Impact AQ-4.1:* Construction activities associated with potential future development projects accommodated under the proposed Specific Plan could expose nearby receptors to substantial concentrations of Toxic Air Contaminants.

Greenhouse Gas Emissions

- *Impact GHG-1.1:* Construction of future projects resulting from implementation of the proposed Specific Plan would generate greenhouse gas emissions, either directly or indirectly, that exceed the forecast year-2040 GHG emissions efficiency metric (2,811 MTCO₂e/year compared to 1,100 MTCO₂e/year).
- *Impact GHG-1.2:* The operation of future projects resulting from implementation of the proposed Specific Plan would generate GHG emissions, either directly or indirectly, that would exceed the forecast year-2040 GHG emissions efficiency metric.

Noise

- *Impact NOISE-1:* The construction of future projects in the Specific Plan Area could expose sensitive receptors to noise that exceeds the City's noise limits.
- *Impact NOISE-3:* Implementation of the Specific Plan would result in a permanent substantial increase in ambient noise levels.

Transportation/Circulation

- *Impact TRANS-1:* Implementation of the proposed project would cause or contribute to impacts at 16 intersections.
- *Impact TRANS-2.1:* Implementation of the proposed project would cause or contribute to impacts at 14 MTS arterial and freeway segments.
- *Impact TRANS-2.2:* Implementation of the proposed project would cause or contribute to impacts on 14 AC Transit bus lines in the area.

Impacts identified as "Significant and Unavoidable" are those impacts where it has been determined that no amount of mitigation would be able to reduce it to a less than significant

level. For these impacts, the public agency decisionmakers need to determine whether the impact is one that they are willing to accept based on other criteria or positive outcomes that outweigh the negative impact. Ultimately, the decisionmakers (City Council) will need to adopt a Statement of Overriding Considerations for each significant and unavoidable impact they are willing to accept as part of certifying the EIR and ultimately adopting the project. The proposed draft Statement of Overriding Considerations is included as Attachment VII to this staff report. This document contains the reasoning and findings with respect to project environmental impacts that cannot be mitigated.

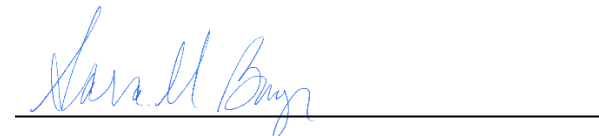
A copy of the draft Final EIR (FEIR) is included as Attachment IV, which includes a response to all comments received during the public comment period on the Draft EIR. Additionally, copies of the findings to support the Statement of Overriding Considerations (Attachment V), the findings to certify the FEIR (Attachment VI), and the findings to support the proposed rezoning map amendments (Attachment VII) are included as attachments to this report.

NEXT STEPS

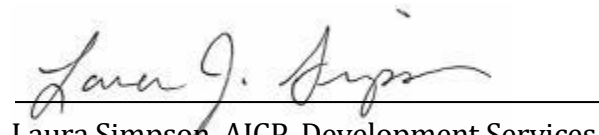
Following Planning Commission review and recommendation, staff will forward the Downtown Specific Plan and Code, along with the Final EIR to the City Council for consideration at a noticed public hearing scheduled for April 23, 2019. Following adoption of the Downtown Specific Plan and Code, staff will work on converting the Specific Plan and Code into a usable online format so it can be easily accessible on the City's web page, and City staff will begin implementing the various programs in the Specific Plan.

Prepared by: Damon Golubics, Senior Planner

Approved by:

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Sara Buizer, AICP, Planning Manager

A handwritten signature in black ink, appearing to read "Laura J. Simpson", is written over a horizontal line.

Laura Simpson, AICP, Development Services Director