



**MINUTES OF THE REGULAR MEETING OF THE
CITY OF HAYWARD PLANNING COMMISSION
Council Chambers
Thursday, December 15, 2016, 7:00 p.m.
777 B Street, Hayward, CA94541**

MEETING

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

ROLL CALL

Present: COMMISSIONERS: Willis Jr., Goldstein, Schott, Faria
CHAIRPERSON: Enders
Absent: COMMISSIONER: Parso-York, McDermott

SALUTE TO FLAG

Commissioner Faria led in the Pledge of Allegiance.

Staff Members Present: Baquilar, Brick, Buizer, Chan, Chang, Fakhrai, Hinkle, Kelley, Nguyen, Rizk, Rullman

General Public Present: 23

PUBLIC COMMENT:

There were none.

PUBLIC HEARINGS: For agenda item No. 1, 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. Proposed Mixed-Use Project Located on a 3.93-acre Site Generally Bounded by A Street, Main Street, McKeever Avenue and Maple Court Comprised of 240 Apartments, including 48 Units Affordable to Very Low-Income Households, 5,500 Square Feet of Ground Floor Retail Space Along Main Street, and Comprehensive Façade and Interior Upgrades to 48,000 Square Feet of an Existing Office Building; Requiring Adoption of a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program and Approval of a Conditional Use Permit and Site Plan Review Application; Bay Area Property Developers, LLC and Klein Financial Corp(Applicant/Owner)

Commissioner Parso-York communicated to City staff that he had a conflict of interest with the Public Hearing item and had to recuse himself. Therefore, Commissioner Parso-York did not attend the meeting.



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Director of Development Services Rizk provided a synopsis of the staff report and presented a PowerPoint presentation. Transportation Manager Kelley presented a synopsis of the project in regards to the traffic analysis, explained the definition of a significant impact and noted that the project does not pose a significant impact according to the City's General Plan. Mr. Rizk referred to the memo he forwarded to the Planning Commission today regarding the revisions to two conditions of approval, Condition #4 related to property tax relief and Condition #34 related to a fair share component in paying for a parking permit program if deemed necessary in the future. Mr. Rizk noted staff were present to answer questions. Mr. Rizk also noted that the developer and his team were also present.

Chair Enders thanked staff for their time and efforts in presenting the information to the Planning Commission.

Mr. Blake Peters, Bay Area Properties Developers, thanked staff for their efforts and presented his team. Mr. Peters spoke about the project and presented a PowerPoint presentation.

In response to Commissioner Schott, Ms. Annette Thurman with Alliance Residential Company explained the concept of unbundled parking as being a separate rentable item from the unit; and how parking spaces usage will be tracked, which allows more flexibility according to use and demand, such as putting in more bicycles and moped parking spaces when usage deems this necessary. Ms. Thurman also explained the affordable housing process and said the process was different for each municipality.

Transportation Manager Kelley explained for Commissioner Schott the level of service at the intersection of Foothill Boulevard and City Center Drive.

In response to Commissioner Goldstein's inquiries about how traffic management technology can lessen traffic impacts, Transportation Manager Kelley explained that in the Mission/Foothill corridor, the City does have adaptive traffic signals that automatically adjust according to traffic volume and as resources are available, this technology will be installed throughout the city. In regards to Mr. Goldstein's comment that there were community concerns about pedestrian circulation, Mr. Kelley spoke about the Downtown Specific Plan Task Force and that one of the overarching goals of the Downtown Specific Plan is to take a look at the traffic in the downtown area, including related to vehicle, pedestrian, transit and/or bicycle circulation.

Development Services Director Rizk said it was difficult to comment about specific spillover parking impacts for this type of project and that in general, the City has done well in regards to parking management for suburban development. Mr. Rizk noted a successful



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parking authority has been instituted at the South Hayward BART area and that staff will have to carefully manage parking and take action as the need arises as higher density projects are completed.

In response to Commissioner Faria's question of how soon will the development be fully occupied, Ms. Thurman said based on the number of units in the project it should take about nine months to completely rent out the Maple & Main project.

In response to Commissioner Willis, Jr.'s comment about the need for safe and secure bicycle lanes from Maple and Main to other parts of the City and the need to incorporate walking pathways, Transportation Manager Kelley said there will be bicycle lanes incorporated in the project's frontage on Main and noted that the City has applied for funding for a Complete Streets project to further incorporate bike lanes along Main Street from A Street to D Street. Mr. Kelley said as part of the Downtown Specific Plan, the City will be looking at how to improve and further incorporate bike lanes and bike accessibility in the downtown area. Mr. Kelley said the City's goal is to improve upon what is already there and to be on par with what other progressive municipalities have implemented. Mr. Peters explained to Mr. Willis that the concept of unbundled parking will be to give the renter the option of whether they want to rent a parking space and for those who do not, encourage shuttle service ridership, noting that the shuttles will have bike racks. Mr. Peters said that 50-60% of the building will be powered by solar panels and said they are working with Tesla for a future household battery. Mr. Willis, Jr. indicated he liked the project, noting it is good for the City, will bring good families to the City, will help liven up the downtown area and will help to improve commerce in the area.

In response to Chair Enders, Development Services Director Rizk said that information on jobs-housing balance is from the Association of Bay Area Governments (ABAG), and that the job to housing ratio is based on fulltime jobs. Transportation Manager Kelley responded to Ms. Enders that the City does encourage developers of large residential and/or commercial projects to submit a transportation demand management program to reduce the level of single occupancy vehicles. Mr. Kelley explained that the City monitors levels of service at intersections, while the Alameda County Congestion Management Program measures level of service at various major roadway segments based on overall travel time. In response to Ms. Enders question about Senate Bill 743 that indicates a different environmental traffic impact standard than level of service will be used, Mr. Kelley said the City is aware and are preparing for the implementation of SB 743 and explained that SB 743 addresses CEQA impacts and noted if level of service is identified in the City's General Plan, the Council will have to make a determination regarding whether the City should retain such level of service standard for impacts outside of CEQA. Mr. Kelley said that currently the City's General Plan identifies level of service as the methodology to analyze project traffic impacts.



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At the request of Chair Enders, Mr. Paul Stevenson, with Impact Sciences, who assisted with preparing the CEQA document, came to the podium. Chair Enders referred to the Final Impact Study, Mitigated Negative Declaration regarding Cultural Resources, indicated that the Native American Heritage Commission was formed in 1970, and asked how is relevant information gathered that was discovered prior to 1970. Mr. Stephenson said his company contacted the Northwest Information Center out of Sonoma State University that covers this area, and per the Center, none of their studies or past information shows that there was any archaeology or cultural resources found at the project site, but there were sites along San Lorenzo Creek and suggested that mitigation measures be put in place. Ms. Ender's shared a newspaper photo of Native American bones found on Maple Court in 1959 and asked if further mitigation measures would be put in place because of the evidence of this discovery. Mr. Stephenson said that such measures are recommended and that once the current buildings are demolished, there will be an archaeologist on site and the State standard protocols would be followed.

Mr. Peters spoke about his team's proactive efforts in contacting the Native American tribes known to inhabit this area and how they have contacted tribal councils. Chair Enders acknowledged that Mr. Peters' team went above and beyond what was required. Mr. Peters said that they have an agreement in place with the tribes in case any remains or artifacts are discovered and that the tribes will have someone on the project site during the time earth trenching work is performed.

Chair Enders opened the public hearing at 8:58p.m.

Mr. A. T. Stephens, Executive Director of the Hayward Historical Society, spoke in favor of the project that would become a part of a walkable livable downtown area. Mr. Stephens asked the Planning Commission to give the project every consideration and support.

Mr. Ben Goulart, President of the Prospect Hill Neighborhood Association, said there were both good and bad aspects of the project. Mr. Goulart said a major concern is that there will be additional traffic problems and there were continuing concerns about the height of the building. Mr. Goulart said there needs to be an environmental impact report (EIR) performed and further traffic mitigation.

Mr. Frank Goulart, Hayward resident, presented a map that shows where the Native American burial sites are located. Mr. Goulart said there are issues that require an EIR, such as the mass of the building that causes loss of views, the project does not fit the neighborhood and belongs on the other side of Foothill where there is zoning for high density residential. Mr. Goulart said the project area is zoned for commercial, retail and office, especially on the ground floor. Mr. Goulart said there has not been accommodation



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for street parking for the existing office and asked the Commission to not accept the Mitigated Negative Declaration and have an EIR done.

Mr. Croft Jervis, Hayward resident, felt five stories and a parking garage was too much mass for the neighborhood and asked what happened to the retail space on the ground level. Mr. Jervis said everyone needs to look ahead and there needs to be consideration for all the downtown area projects that will cause increased congestion and will severely impact downtown traffic.

Mr. Kim Huggett, Chamber of Commerce President, spoke in favor of the project and urged the Commissioners to approve the project. Mr. Huggett shared that he had spoken to thirty businesses who are all in favor of the project and said this project will revitalize the Downtown area, there will an infusion of revenue, and that the project will provide a place for people to visit and congregate. Mr. Huggett also shared that Mr. Chris Lam, owner of Pucci Foods, had to leave the meeting and is also excited about this project where Hayward workers can live rather than commute.

Mr. Sid Hamadeh, Eko Tea house, spoke in support of the project. Mr. Hamadeh asked if the affordable housing element can serve the Hayward working community first. Specifically, Mr. Hamadeh requested an affordable housing preference for residents that work in downtown Hayward. Assistant City Attorney Brick said this condition of approval was raised and researched by staff and said that the City cannot place a mandate like this on the affordable housing element.

Chair Enders closed the public hearing at 9:18 p.m.

Commissioner Goldstein said it was important to keep those working locally to be able to live locally and for employees get out there and apply for the affordable housing. Mr. Peters said Alliance Residential will be handling the property management and reviewing tenant qualification and compliance, and explained that the affordable housing plan requires the developer to specify how they are to advertise locally to make everyone aware of the affordable housing opportunity. Ms. Thurman said other municipalities with which she has worked, as part of their regulatory agreements, can designate preferences which can be supportive of those who live and work in the city. Mr. Goldstein said that Mr. Hamadeh, as part of the business owners' association, should get the word out about the affordable housing element of this project.

Commissioner Schott said the City has invested a lot of funds in the downtown area including City Hall, the new Library, and the Cinema Theaters; but there has not been big office growth, which would bring an increase in daytime traffic which would allow restaurants to survive. Mr. Schott said there has not been a regional company that would



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come in and build a large office building and said this project meets a lot of what the City needs and is not concerned that there is not enough retail as there will be Lincoln Landing on Foothill Blvd. Mr. Schott pointed out that this project will bring in a Class A office space in the medical office building, which will bring in higher paid medical jobs and patients, which in turn will bring in daytime traffic and people to the downtown area. Mr. Schott said the loop does not work, Hayward is centrally located and the traffic is not going away but development should not be stopped because of traffic issues. Mr. Schott said he would like to see more Class A office space so that Hayward can become a destination place and not just a transit hub and shared that he travels all over the bay area for his job and sees these kinds of developments and density everywhere because the bay area is where people want to live. Mr. Schott said he supports the project.

Commissioner Faria thanked the developer regarding the inclusion of the affordable housing units into the development, appreciated the green elements, noted there were other Prospect Hill residents who are proponents of the project, and felt the developer has listened to all the parties they have met with. Ms. Faria said the developer addressed the building height issue by changing the project building height to be even with the medical office building. Ms. Faria said the project addresses walkable issues with the shuttle and addresses a sustainable downtown by providing the office space that the business community feels are needed. Ms. Faria indicated she supports the project and said the project will positively impact the downtown area.

Commissioner Willis, Jr. spoke about his own experience in his community where initially the residents felt there would be a traffic issue because of the one way in and one way out access, but indicated no traffic issues ever materialized. Mr. Willis, Jr. said this was the same with Hayward Costco where the public was concerned about traffic problems and none materialized. In regards to the Prospect Hill neighborhood issues of building height and loss of view, Mr. Willis, Jr. said it was important to respect the rights of other property owners and said the project will enhance all property values and that it was important to think of the future and how the project will positively benefit the City and current and future residents, and how it will improve the quality of life in the downtown area. Mr. Willis, Jr. indicated again he supports the project and said it will bring in a lot of good people to the City.

Commissioner Goldstein recognized and commended staff for their hard work and efforts not only for doing a thorough job but also for taking into consideration the needs of the community. Mr. Goldstein said revitalization is coming to Hayward just like it is throughout the bay area and acknowledged that traffic is a 'hot' issue with many residents whenever there are new developments and said the City has a great staff that takes traffic into consideration. He indicated he appreciated and respected the speakers who have made their views known, it is very important and is part of the process and that he is



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listening very carefully to the information being provided. Mr. Goldstein said from the perspective of revitalization and affordability, the developer's approach is morally the correct thing to do. Mr. Goldstein said the affordable housing element is timely since at a recent Council meeting speakers spoke about the dire need for affordable housing. Mr. Goldstein said that he respects and applauds the project's affordable housing element, it is one of the largest projects that has come to Hayward and hopes other developers will learn from this project and incorporate the affordable housing element into future developments. Mr. Goldstein said the priority issues of walkability, complete streets, and bike lanes all address the issue of getting around safely, which will motivate residents to visit the downtown area businesses. Mr. Goldstein appreciated the sustainability elements and the support for electric vehicles and zip cars and solar panels. Mr. Goldstein said the project will bring economic revitalization to the downtown area similar to what has occurred in neighboring communities where similar projects have been built. Mr. Goldstein said for revitalization to occur, it is necessary to have development and this project is at the right place and time for Hayward. Mr. Goldstein voiced support for the project.

Chair Enders said she would like the project to have less residential and more commercial and retail elements, which will bring jobs to Hayward and could help alleviate the current traffic issues. Ms. Enders liked the incorporation of the affordable housing element but wished the developer had listened more to the Planning Commission, City Council and the public about the need for more jobs and ground floor commercial/retail space. Ms. Enders mentioned that she was part of the General Plan Update Task Force and shared that an issue discussed a lot for the downtown area was the need for ground floor commercial/retail with housing above, which is a good combination and which would provide a good job to housing ratio. Ms. Enders would like this project to move forward, but felt the developer did not take the following feedback into consideration: at the May 2015 Council meeting, Council indicated the five story building was too high, and there was need for more ground floor commercial space, more sustainable features and more open space areas; at previous Planning Commission meetings, Commissioners indicated there was the need for more electric vehicle charging stations at every parking space, and an item pointed out by Ms. Enders was the preservation of an on-site memorial tree. Ms. Enders said public comments were also ignored by the developer, including related to whether an EIR needed to be prepared in regards to the project being in line with the General Plan and need to have more ground floor commercial space, the known presence of Ohlone Indians in the area, request to reduce the building height to three to four stories and the insufficient parking and traffic circulation. Ms. Enders said the intent of CEQA is to encourage the deliberation of environmental impacts during the process and said there were still a lot of unaddressed traffic issues, blatant ignoring of evidence and facts surrounding environmental impacts with building the proposed project as presented. Ms. Enders said she felt it was unacceptable to just replace a memorial tree with new trees and indicated she does not support the project.



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Commissioner Willis, Jr. made a motion to approve the item per staff recommendations. Commissioner Goldstein seconded the motion. The motion passed with the following vote:

AYES: Commissioners Willis Jr., Goldstein, Schott, Faria
NOES: Chair Enders
ABSENT: McDermott
RECUSED: Parso-York

COMMISSION REPORTS

2. Oral Report on Planning and Zoning Matters

Planning Manager Buizer mentioned the updated 2017 Planning Commission Meeting occurring on the 2nd and 4th Thursdays of the month. Ms. Buizer said this change makes the Council Chambers available for an energy board meeting that is important for the City. Ms. Buizer said the impact is that there will only be one regular scheduled meeting for the months of November and December.

3. Commissioners' Announcements, Referrals

There were none.

APPROVAL OF MINUTES

4. Approval of the Minutes of the Planning Commission Meeting on October 20, 2016

Commissioner Schott made a motion, seconded by Commissioner Willis Jr., to approve the minutes of the Planning Commission Meeting of October 20, 2016.

The motion passed with the following vote:

5:0:2 (AYES: Willis Jr., Goldstein, Enders, Schott, Faria: ABSENT: Parso-York, McDermott)

ADJOURNMENT

Chair Enders adjourned the meeting at 9:48 p.m.



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APPROVED:

Julius Willis, Jr. Secretary
Planning Commission

ATTEST:

Denise Chan, Senior Secretary
Office of the City Clerk