



DATE: May 28, 2019

TO: Mayor and City Council

FROM: Director of Development Services

SUBJECT: Proposal to Subdivide an Existing 8.88 Acre Parcel into 22 Parcels to Allow the Construction of 19 Single-Family Residences with Common Open Space Areas and Related Site Improvements at 29080 Fairview Avenue (APN 085A-6428-002-00) by Erik Hayden of Hayden Land Company, LLC (Applicant) on Behalf of Carrie Aitken (Owner) Requiring a Tentative Tract Map, Planned Development (PD) Rezone, and Mitigated Negative Declaration with Mitigation Monitoring and Reporting Program (MMRP) Application No. 201603891

RECOMMENDATION

That the City Council introduces the attached Ordinance (Attachment II) approving the Planned Development (PD) Rezone and adopts the attached Resolution (Attachment III) approving Vesting Tentative Tract Map No. 8353 and adopting the related Mitigated Negative Declaration (MND) with a Mitigation Monitoring and Reporting Program (MMRP) for the proposed development.

SUMMARY

The applicant is requesting approval of Tentative Tract Map No. 8353, Planned Development Rezone (Application No. 201603891), and the adoption of a Mitigated Negative Declaration (MND) with a Mitigation and Monitoring Reporting Program (MMRP) and amendments to the Official Zoning Map to reflect the new land use designation being proposed by the project, which would subdivide a 8.88-acre parcel into 22 parcels to allow the construction of 19 single-family homes with common open space areas and private streets located off Carden Lane with a physical address of 29080 Fairview Avenue. The project site is currently zoned AB106A (Agriculture & Combining District B) District and is designated SDR (Suburban Density Residential) in the *Hayward 2040 General Plan*. The project site is subject to the *Walpert Ridge Specific Plan* and the Hillside Urban/Wildland Interface Guidelines that establish policy guidelines and development standards for hillside development.

BACKGROUND

The project site is currently undeveloped and at one time was used as a grazing area for horses. The site contains hilly topography with some hillside slopes ranging from 10% to 30%. A majority of the site is grass covered with some existing mature trees scattered throughout. The Stonebrae Planned Development community surrounds the development site and the Stonebrae Elementary School is located to the west of the proposed main access point into the parcel. The Bailey Ranch and Prominence residential developments are also adjacent to the proposed Cavallo Highlands site.

DISCUSSION

Existing Conditions. The 8.88-acre project site is located on one parcel, which is relatively hilly. The site is undeveloped and contains a total of 78 trees, which are protected by the City's Tree Preservation Ordinance, as well as an additional seven trees located off-site. The primary access to the site has been from Carden Lane, which also provides access to adjacent parcels. Single-family homes are located to the north and east of the project site; Stonebrae Elementary School is located to the west of the project site and designated open space areas within the Stonebrae development are located to the south of the project site.

The site is also known as the "Carden site" in the *Walpert Ridge Specific Plan*, which allows for residential development within the "Urban Development Area" of the Plan. The Urban Development Areas of the Plan are currently undeveloped, grassy ridgeland areas within one mile of Fairview Avenue. The project site is currently zoned AB106A (Agriculture & Combining District B) District and designated as SDR (Suburban Density Residential) in the *Hayward 2040 General Plan*.

Project Overview. The project proposes a rezoning and subdivision of the existing 8.88-acre parcel into 22 parcels to allow the construction of 19 single-family detached homes with designated common open space areas and private streets that provide vehicular access from Carden Lane. A zone change from AB106A to PD, Planned Development, is required to allow for exceptions to the development standards for the single-family parcels to reduce the lot frontage and lot size. The proposed single-family lots range in size from 7,915 square feet to 19,280 square feet. The applicant is proposing several open spaces areas and water quality control basins throughout the site for stormwater treatment and retention. The project will require upgrades to the water supply and sewer utilities.

Building Architecture. The proposed two-story, single-family homes would be located on each site consistent with the policies of the *Walpert Ridge Specific Plan* and sized to be compatible with other homes of nearby developments, including Stonebrae, Bailey Ranch and Prominence, with houses ranging in size from 3,891 to 4,204 square feet.

There are four architectural styles proposed and three different floor plans available for the development, which include Italian Revival, Spanish Colonial, Prairie, and Craftsman elevations. Plan 1 homes contain 5 bedrooms, 4½ bathrooms, a bonus room, and a den; Plan 2 homes contain 5 bedrooms, 4½ bathrooms, and a bonus room; and Plan 3 homes contain 5 bedrooms, 4½ bathrooms, a bonus room, a game room/flex space, and a den. Proposed exterior building materials consist of slate concrete roof tiles, exterior stucco and

stucco over foam for most wall planes, wood corbels, pot shelves with wrought iron railings, white vinyl windows, tile and stone accent features, shutters, and wood fascia boards. Each home design proposes an architectural style similar to adjacent neighborhoods. All proposed building elevations are uniformly treated with no blank wall planes. The proposed homes reflect a varied color palette, each designed to highlight various features of the building architecture.

Parking and Circulation. Each home contains a garage for parking in either a two-car, three-car tandem, or a three-car tandem along with a separate one car compact space. Access to the site will be provided from Carden Lane via a 20-foot wide private road (Via Del Corso) and each home will be served by a larger 36-foot wide, private street (Calle Cervo) with cul-de-sacs at each end. The private streets are proposed to be maintained by the HOA and the 36-foot wide street will afford enough room to accommodate on-street parking for guests. Also, adequate turnaround space has been incorporated into the site design for fire and emergency vehicle apparatus.

Landscaping and Open Space. The project's preliminary landscaping and open space plans focus on the project entry road, proposed front yard landscaping for each home, a mini park space at the end of the northern Calle Cervo cul-de-sac, and strategic landscaping in other passive open spaces of the site. The applicant intends to plant 73 new trees on the project site. Along with these new trees will be a varied pallet of shrubs and various ground covers.

During the Precise Plan phase of the project, the applicant will be required to refine the plans and submit the final landscape and tree removal plans for all other areas of the development site. All proposed landscaping and irrigation will meet the City's landscape water efficiency standards. Additionally, the project will treat storm water run-off on-site with a new bioretention treatment area.

Tree Removals. A total of 78 trees are proposed for removal on the project site and the applicant is proposing to mitigate that loss with the planting of 73 new trees of various sizes and species. Additionally, there are seven trees located immediately adjacent to the project site, which are proposed for preservation. Pursuant to HMC Chapter 10, Article 15, the City's Tree Preservation Ordinance removal requires mitigation equal in value to the total appraised value of all protected trees to be removed through replacement trees or alternative forms of mitigation acceptable to the City's Landscape Architect. A final tree mitigation and replanting plan will need to be prepared for the project once final grading plans have been produced. This will likely occur during the Precise Plan phase of the project. At that time, the City's Landscape Architect will review final landscape plans to confirm that proposed mitigation costs match or exceed the appraised value of all proposed trees scheduled for removal prior to the issuance of a building permit for the project.

PD Amenities. The project requires a PD Rezone to provide flexibility in the site layout, given that the proposed development is located on the site with challenging topographic features. PD Rezoning requests also allow for exceptions to certain development standards related to lot size and lot frontage. Any requested exceptions to development regulations or

policies must be adequately offset or compensated for by providing amenities not otherwise required or exceeding required development standards. As such, the project is proposing to include the following amenities as part of the 19-unit project:

- EV Charging Stations available at all units
- All homes complete with solar panel installation (not only pre-wire)
- On-site open space “park” with panoramic views, seating, pathways, and landscape.
- Shade providing and oxygen sequestering trees
- Pervious pavers
- Low flush toilets
- No invasive plant species
- Native and drought tolerant plant species (WELo compliant)
- Wildlife friendly planting
- Water efficient drip irrigation system (WELo compliant)
- Low energy LED light fixtures
- Attractive “good-neighbor” fences
- Energy efficient appliances
- Insulated windows and walls
- Efficient heating and air conditioning systems

Additionally, the applicant is proposing “green features” to serve as amenities through the incorporation of sustainable building designs and sustainable building practices that make the community a better place for current and future residents.

Homeowners Association. As part of the standard conditions of approval, the project is required to form a new Homeowners’ Association (HOA) with required Covenants, Conditions and Restrictions (CC&Rs) to ensure the future homeowners will be responsible for maintaining all the project components, including the private street, street lights, utilities, and other privately owned common areas and facilities on the site, including the bio-retention areas, landscaped areas, preservation and replacement of trees, and decorative paving. The CC&Rs will also contain a standard condition that if the HOA fails to maintain the common areas, private streets, lights and utilities, the City of Hayward will have the right to enter the subdivision and perform the necessary work to maintain these areas and special assess and/or lien the properties for their proportionate share of the costs.

Utilities and Street Improvements. Most utilities will be brought to the site from Carden Lane, except for the sanitary sewer connection, which will come from the existing sewer line located within Country Club Drive. The proposed site utilities include sanitary sewer, water, and storm drain systems. Each necessary utility has sufficient capacity to adequately serve the proposed development. On-site sewer and water utilities will be installed within new public utility easements within the project site and connect to the existing utilities located within Carden Lane or Country Club Drive. As previously discussed, the project will be served by new private streets or roads. It should be noted that existing surrounding

roadways have sufficient capacity to accommodate the additional traffic generated from the project.

Hayward 2040 General Plan: The site is designated as SDR (Suburban Density Residential) in the *Hayward 2040 General Plan*. Density under this land use designation is 1.0 to 4.3 dwelling units per acre. Project plans show the project density at 2.5 dwelling units per net acre, well within the range of the General Plan designation for the development site. The project is consistent with the following policies of the General Plan:

- *H-3.1 Diversity of Housing Types:* The City shall implement land use policies that allow for a range of residential densities and housing types, prices, ownership, and size, including low-density single family uses, moderate-density townhomes, and higher-density apartments, condominiums, transit-oriented developments, live-work units, and units in mixed-use developments.
- *H-3.4 Residential Uses Close to Services:* The City shall encourage development of residential uses close to employment, recreational facilities, schools, neighborhood commercial areas, and transportation routes.
- *Land Use Policy LU-1.3 Growth and Infill Development:* The City shall direct local population and employment growth toward infill development sites within the city, especially the catalyst and opportunity sites identified in the Economic Development Strategic Plan.

Zoning Ordinance: The project site is currently zoned AB106A (Agriculture & Combining District B) District and the applicant is requesting to rezone the site to PD District to allow for modified development standards related to lot size and lot frontage. On Page 58 of the *Walpert Ridge Specific Plan*, Neighborhood Design Standards and Guidelines apply to single-family lots proposed within the Walpert Ridge area. The following provision applies to exceptions to the standards:

Exceptions from these standards may be allowed by the City Council on a case-by-case basis based on specific site conditions, grading constraints, or design considerations.

As it relates to “padded lots,” the proposed project would not meet the 80-foot minimum lot frontage requirement or the minimum cul-de-sac frontage on most of the proposed lots. The most appropriate location on the development site for the 19 homes is in the middle of the parcel requiring minimal grading for padded lots and accommodating home construction. Major grading on the site to accommodate or flatten the site more would be contrary to the main objectives of the *Walpert Ridge Specific Plan*, which is to respect the existing topography of land within the Plan area. City staff supports the exception and believes the City Council can make the necessary findings to the lot frontage requirement.

As it pertains to the minimum lot size requirement of 9,000 square feet, there are two proposed lots (Lots 18 and 19) that fall below this minimum standard. Due to the existing terrain and other site constraints that limit buildable areas, staff believes the exception may be warranted. It should be noted that the *Walpert Ridge Specific Plan* allows for 20 units to be developed on the site; however, the applicant is proposing just 19 home sites

that fit with the existing site terrain better. Squeezing an additional lot on this site would create noncompliance with other applicable design standards and guidelines called out in the Specific Plan.

Per Section 10-1.2535 of the HMC, the following findings are required for a Planned Development rezone for the project:

- The development is in substantial harmony with the surrounding area and conforms to the General Plan and applicable City policies;
- Streets and utilities, existing or proposed, are adequate to serve the development;
- In the case of a residential development, that the development creates a residential environment of sustained desirability and stability, that sites proposed for public facilities, such as playgrounds and parks, are adequate to serve the anticipated population and are acceptable to the public authorities having jurisdiction thereon, and the development will have no substantial adverse effect upon surrounding development;
- In the case of nonresidential uses, that such development will be in conformity with applicable performance standards, will be appropriate in size, location, and overall planning for the purpose intended, will create an environment of sustained desirability and stability through the design and development standards, and will have no substantial adverse effect upon surrounding development;
- In the case of a development in increments, each increment provides a sufficient proportion of total planned common open space, facilities, and services so that it may be self-contained in the event of default or failure to complete the total development according to schedule; and
- Any latitude or exception(s) to development regulations or policies is adequately offset or compensated for by providing functional facilities or amenities not otherwise required or exceeding other required development standards.

Walpert Ridge Specific Plan. The project site is located within the *Walpert Ridge Specific Plan* area, which was adopted in 1998. The Specific Plan incorporates specific development standards and design guidelines for future development within the Plan area. This Plan was developed because many sites within the Plan area offer expansive scenic views of open space and the surrounding Bay Area. Specifically, the Plan Area provides a “prime opportunity to develop upscale single-family housing as well as provide a prime open space and recreational amenity for the community.” The Specific Plan is in conformance with the *Hayward 2040 General Plan* and defines more specific policies and standards for the area, provides an important tool for facilitating the review of individual development proposals”. The project, as proposed, is consistent with the Walpert Ridge Specific Plan policies including, but not limited to, the following:

- Encouraging the density of housing pursuant to this Specific Plan will result in housing density consistent with the General Plan Policies Map, which designates Walpert Ridge Development Area for Residential, Suburban Density and Residential, Low Density.

- The containment of housing within the defined Urban Development Area pursuant to this Specific Plan will minimize environmental impacts on the rural serenity of the Garin Regional Park.
- The Urban Development Area also corresponds to the Urban Limit Line, as defined in the Growth Management Element, and is intended to focus the location of the urban development and conserve open space and habitat resources in the Specific Plan area.
- The development of housing pursuant to this Specific Plan will promote significant goals in the Housing Element, including but not limited to policies which encourage the development of a balanced housing supply, particularly housing oriented towards above moderate-income households.
- The development of housing pursuant to this Specific Plan will promote the public health, safety, and general welfare of the City and future Walpert Ridge residents by requiring that all housing be located within 1.5 mile service area of Fire Station No. 5 (or 1.6 miles as allowed by Development Policy I, A.3)
- This Specific Plan requires, as a condition of approval of specific development proposals, the incorporation of mitigation measures that either substantially reduce or fully mitigate the significant adverse environmental impacts of the development.

The Specific Plan also contains policies that are intended to “protect the public health, safety, and welfare” of all residents living within the Plan area and provide for “an optimal balance between residential and open space uses.” Specifically, the Plan has policies that encourage a balance of both housing and open space in this part of Hayward including the following:

- Increase the regional supply of excess housing ranging from larger estate lots to smaller lots that could accommodate “empty-nester” and smaller households that would, in turn, alleviate the demand for this type of housing. It would also place on the general market more moderately priced homes as households purchase the “move-up housing” that is expected to be offered on Walpert Ridge.
- Reduce the development pressure on alternate and more remote locations within the region by providing housing at a central location in the Bay Area that is closer to primary employment areas.
- Provide a more balanced housing supply in the City of Hayward by providing housing for a portion of the population that is presently underserved.
- Strengthen the local economy by improving and expanding the market base in Hayward for businesses, services, and employment opportunities that depend on an adequate supply of above-moderate income households.

Per the Specific Plan, Planned Development Districts are referenced in the following:

- The Planned Development (PD) Zoning District offers a level of flexibility for responding to specific site constraints and for minimizing adverse environmental effects. Because of the specific constraints associated with development on Walpert Ridge, processing development applications as Planned Developments has been determined to be in the best interest of the City and property owners/developers for

implementing this Specific Plan. Therefore, it is the policy of this Plan to process future development proposals through a PD District pursuant to the Zoning Ordinance.

- Subsequent or concurrent development approvals that will be required for a project, including but not limited to tentative and final maps, parcel maps, and grading permits shall conform to approved development plans and conditions for the applicable PD District.

As previously mentioned, staff believes the development meets a majority of the *Walpert Ridge Specific Plan* policies and objectives listed above.

Hillside and Urban Wildlife Interface Guidelines. The project is located on a hillside parcel that is subject to the design standards of the Hillside and Urban Wildlife Interface Guidelines. The purpose of the Hillside and Urban Wildlife Interface Guidelines is to seek to identify elements of good design that will enhance the appearance of the city and make the neighborhood more livable, while being conscious of the natural topographies and slopes. In conjunction with the *Walpert Ridge Specific Plan* design guidelines, staff believes the proposed development has been designed to minimize impacts to the existing hillside and will be attractively designed to minimize visual impacts from adjacent properties and the street frontages.

Tentative Tract Map. The project proposes to create a total of 22 new parcels, including 19 single-family home parcels and 3 parcels that contain open space, bioretention areas, common areas space, landscaping, and private streets. Pursuant to Section 10-3.010 of the HMC, the purpose of the Subdivision Ordinance is to ensure that all proposed subdivisions are consistent with the procedures, policies, and programs of the *Hayward 2040 General Plan*, underlying zoning district, and Subdivision Map Act. Per Section 10-3.150 of the HMC, the following Tentative Tract Map findings are required for the project:

- The proposed subdivision is not in conflict with the General Plan and applicable specific plans and neighborhood plans;
- The proposed subdivision meets the requirements of the City Zoning Ordinance; and
- No approval of variances or other exceptions are required for the approval of the subdivision.

If approved, the applicant will be required to submit a Final Map and improvement plans to the City for review. The City Engineer must determine that the Final Map and improvement plans are in substantial compliance with the approved Tentative Tract Map prior to approving the Tract Map. Prior to approval of the Tract Map, the developer shall enter into a Subdivision Agreement and post bonds with the City, at which time the map can be recorded with the Alameda County Recorder's Office and the developer can commence construction activities. In accordance with HMC Section 10-3.246, approval of this Tentative Tract Map shall expire 36 months after the effective date of approval subject to statutory and discretionary extensions as allowed by the HMC and Subdivision Map Act. A copy of the Tentative Tract Map is included within the Project Plans (Attachment III).

Affordable Housing Ordinance. The project is subject to the City's Affordable Housing Ordinance (AHO), which allows residential development projects either provide affordable units on site or pay an affordable housing in-lieu fee. The applicant is proposing to pay the in-lieu fee, which would support the creation of new affordable housing units that are transit proximate versus providing units in a more rural area of the City.

Environmental Review: Pursuant to CEQA Guidelines Section 15220, an Initial Study was prepared by David J. Powers and Associates on behalf of the City of Hayward (Lead Agency) for this project with the finding that a Mitigated Negative Declaration (MND) was appropriate because all potential impacts could be mitigated to a level of less than significant with the implementation of mitigation measures. The Initial Study found that the project would result in potential impacts to Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, Noise, Tribal Cultural Resources, and Mandatory Findings of Significance. With mitigation, any potential impacts would be reduced to a level of less than significant.

A Notice of Intent (NOI) to adopt the Mitigated Negative Declaration (MND) with Mitigation and Monitoring Reporting Plan (MMRP) was posted at City Hall and delivered to the Hayward's Weekes Branch library, and copies of the NOI were sent to interested parties and property owners within 300 feet of the project site on March 22, 2019. The NOI was also filed with the Alameda County Clerk on March 22, 2019. The public comment period for the MND was March 22, 2019 thru April 22, 2019, and the City received several public comments on the project related to site aesthetics, impacts to property values, biological and traffic impacts, and emergency vehicular access. The comments were formally responded to by David J. Powers and Associates on behalf of the City, and responses are contained in a "Responses to Comments" document that is Attachment VII to the staff report.

As part of the formal consultation process established by California Assembly Bill 52 (AB 52), the City of Hayward has invited the Ione Band of Miwok Indians to provide written comments related to the development request. The City did not receive any comments on the project from the Ione Band of Miwok Indians or a request for a consultation. Copies of the MND and MMRP are included as Attachments VI and VII.

Planning Commission Review: On May 9, 2019, the Planning Commission held a hearing on the proposed project. Several members of the public spoke in favor of the project. No member of the public spoke in opposition to the project. On a 6-0 vote, the Planning Commission expressed support of the project and recommended that the City Council also approve the proposed development.

ECONOMIC IMPACT

The proposed project would result in the development of a currently vacant lot in an existing residential setting. The proposed development would connect to existing public utilities and services and is not expected to have a negative result on the City regarding public utilities or public services. Furthermore, the project would result in new residents moving into Hayward,

which should generate demand for goods and services, thereby providing stimulus for new or existing jobs and services in the City's economy.

FISCAL IMPACT

According to the City of Hayward Fiscal Impact Model (2017) prepared by Applied Development Economics, Inc., the project would generate an estimated \$46,401 in annual revenue from property and utility user taxes and approximately \$45,165 in annual costs related to City Services, resulting in a net positive impact of approximately \$1,236 per year.

STRATEGIC INITIATIVES

This 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.

This project also supports the Complete Streets Strategic Initiative. The purpose of the Complete Streets Strategic Initiative is to build streets that are safe, comfortable, and convenient for travel for everyone, regardless of age or ability, including motorists, pedestrians, bicyclists, and public transportation riders. The project, as proposed, will create new housing opportunities near public transit stops. The project will require the construction of new private streets that will meet City standards and be designed to safely accommodate vehicles, pedestrians, and bicyclists

SUSTAINABILITY FEATURES

The project will be required to meet the CALGreen and 2016 California Energy Code standards for energy efficiency as well as meet the City's requirements with respect to water efficient landscaping. Additionally, the project will comply with the City standards for recycling of waste during construction and operation and will comply with the Municipal Regional Stormwater requirements for storm water runoff prevention and treatment.

PUBLIC CONTACT

Following receipt of application, staff conducted the following public outreach:

- A Notice of Receipt of Application was sent to all property owners and interested stakeholders within 300 feet of the subject property for a “preliminary meeting” that was held on August 25, 2018, to discuss the development request. Neighbors and other interested parties either attended the meeting, shared their thoughts about the project, or forwarded comments regarding the project to the City for consideration.
- On March 22, 2019, a Notice of Intent (NOI) to adopt a Mitigated Negative Declaration (MND) and Notice of Public Hearing were posted at City Hall and delivered to the Weekes branch library. Copies of the NOI and Notice of Public Hearing were also sent to interested parties and property owners within 300 feet of the project site and published in the Daily Review newspaper for a public comment period on the project that ran from March 22, 2019 to April 22, 2019. Several public comments were received during the comment period and addressed via a “Responses to Comments” document that was made available for the May 9, 2019 Planning Commission meeting and with this agenda report.

The applicant has conducted several community meetings over the past couple of years inviting residents from Stonebrae, Bailey Ranch, and Prominence to speak with the Cavallo Highlands development team about the project. This allowed for an opportunity for residents and stakeholders to provide comments and feedback related to the project, including those related to increased traffic, potential impacts to viewsheds and neighborhood compatibility.

NEXT STEPS

Following City Council approval, the Ordinance approving the Planned Development rezone will return to the City Council for a second reading, after which the applicant may proceed with submitting a Precise Development Plan, Final Tract Map, and improvement plans to the City for review. The City Engineer must find that the Final Map and site improvement plans are in substantial compliance with the approved Vesting Tentative Map and recommend to the City Council approval and recordation with the Alameda County Recorder’s Office. Once the Precise Plan, Final Map, and improvement plans are approved by the City, the applicant may then proceed with obtaining building permits.

Prepared by: Damon Golubics, Senior Planner

Recommended by: Laura Simpson, AICP, Development Services Director

Approved by:



Kelly McAdoo, City Manager