



## **SUBJECT**

Proposed Automobile Rental Business, including a Car Washing Operation, at 1045 C Street (APN: 428-0066-055-01) Requiring a Conditional Use Permit (Application No. UP-25-0007) with Site Plan Review and finding that the Project is Categorically Exempt from the Provisions of the California Environmental Quality Act (CEQA) Pursuant to Section 15301 of the CEQA Guidelines. Kris Hardwood, Studio Benavente Architects, Applicant; Nijjar Prabhjot K & Gurkirat S., Owner.

## **RECOMMENDATION**

That the Planning Commission find that the proposed use is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15301 and approve the proposed Conditional Use Permit with Site Plan Review to operate an automobile rental with car wash establishment (Attachment V) based on the findings and analysis in this staff report (Attachment II), and subject to the conditions of approval (Attachment III).

## **SUMMARY**

The applicant is requesting approval of a Conditional Use Permit (CUP) with Site Plan Review to operate an automobile rental establishment in an existing vacant commercial building on a 0.51-acre site at 1045 C Street. The proposal includes site improvements and the construction of a 744 square foot accessory structure at the rear of the property to be utilized for the washing of rental vehicles. The proposed business would provide car rental services Monday through Friday from 7:00 AM to 6:00 PM, and on Saturday and Sunday from 8:00 AM to 2:00 PM.

## **BACKGROUND**

On April 1, 2025, the City received an application for a Conditional Use Permit to operate an automobile rental establishment with ancillary car washing within an existing commercial building at 1045 C Street. The business operator, Enterprise Rent-A-Car, has extensive experience managing automobile rental facilities across California. In the Hayward area, Enterprise has been providing rental services for over 20 years and currently operates at 25900 Mission Boulevard. If approved, the proposed site would become Enterprise's second location in Hayward.

Public Outreach: On April 7, 2025, the Planning Division mailed out 229 Notice of Receipt of Application (NOR) for the CUP to the owners and occupants of all property within 300 feet of the site, as well as to the Downtown Hayward Improvement Association and Hayward Area Planning Association. No public comments were submitted in response to the NOR.

On September 26, 2025, public hearing notices were once again mailed to the 229 owners and occupants of all properties within a 300-foot radius of the project site, as well as the same neighborhood groups who received the NOR. A public hearing notice was also published in *The Daily Review* newspaper on this same date. As of the publication date of this staff report, Planning Division staff has not received any public comments regarding the proposed project.

## **PROJECT DESCRIPTION**

Existing Conditions. The project site is composed of one 0.51-acre parcel at 1045 C Street. The site is located along the southeastern side of C Street between Hesperian Boulevard and Main Street. The proposed automobile rental establishment will be located in an existing 1,220 square feet vacant commercial building that has remained vacant since 2019. The project site is surrounded by other commercial uses and adjacent to Hayward Fire Station 1, a dental office, and the approved location for the Jiva Life cannabis dispensary.

Proposed Project: The proposed project consists of the establishment of an automobile rental business within an existing vacant commercial building. It includes the construction of an accessory structure at the rear of property for the exclusive use of washing rental vehicles. Additionally, the project includes site improvements consisting of façade improvements, parking lot restriping, new landscaping, and accessibility upgrades. The business will operate Monday through Friday from 7:00 AM to 6:00 PM, and on Saturday and Sunday from 8:00 AM to 2:00 PM. Enterprise will offer a large selection of 'green' vehicles, consisting of hybrid and electric models, especially compared to other automobile rental companies. The business proposes employing a total of five full-time and two part-time employees.

The project also proposes several minor tenant improvements to make the existing commercial building functional for the proposed business. Improvements include accessibility upgrades and interior wall partitions to create an office, several workspace areas, a storage room, break room, and gender-neutral restroom. Exterior improvements include repainting the building, replacing broken storefront windows, restriping the parking lot, new landscaping, and the construction of an accessory structure to hand wash car rentals. The exterior remodel will create a more contemporary, modern aesthetic that will enhance downtown along a significant street. As conditioned, future signage will be required to be consistent with Hayward Municipal Code Sign Ordinance requirements. A copy of the proposed plans and business plan are included as Attachment IV and V, respectively.

Parking and Transportation: The site is easily accessible by both public transit and automobile. Multiple AC Transit bus stops are located within a quarter-mile radius, providing direct service to the Hayward, South Hayward, Union City, Bay Fair, San Leandro, and Castro Valley BART stations, as well as to Cal State East Bay and Downtown Hayward. Additionally, the site is located within easy walking and biking distance (less than half a mile) from the downtown Hayward BART Station. To accommodate customers and employees traveling by automobile, the applicant proposes reconfiguring the existing parking lot to provide a total of 24 spaces, which includes four customer spaces, four employee spaces, one accessible space, and 15 spaces designated for the rental vehicle inventory. In addition, the business will offer a complimentary Pick-Up Service, where a rental representative will transport customers from

their location to the rental facility to complete the rental process and collect the rental vehicle. This service is expected to reduce the number of customers traveling directly to the site.

## **POLICY CONTEXT AND CODE COMPLIANCE**

**Zoning Ordinance:** The project site is zoned Downtown Main Street (DT-MS) District<sup>1</sup>. This zoning classification allows for a wide variety of commercial, retail, entertainment, and civic uses, public transportation, and small-to-large footprint, moderate-to-high-intensity residential. The DT-MS Zoning District conditionally permits automobile rental establishments with approval of a CUP. Per Section 10-1.3225<sup>2</sup> of the Hayward Municipal Code, the Planning Commission may approve or conditionally approve a CUP application when all the following findings are made:

- The proposed use is desirable for the public convenience or welfare;
- The proposed use will not impair the character and integrity of the zoning district and surrounding area;
- The proposed use will not be detrimental to the public health, safety, or general welfare; and
- The proposed use is in harmony with applicable City policies and the intent and purpose of the zoning district involved.

According to Chapter 10, Article 28 of the Development Code, Section 10-28.2.2.070(F)<sup>3</sup>, nonresidential uses of 5,000 square feet or less are not subject to minimum off-street parking requirements. Therefore, the project is not required to provide parking. However, as discussed in the project description above, the applicant is proposing to reconfigure the existing parking lot to provide a total of 24 spaces and will provide a complimentary Pick-up Service to reduce the number of customers traveling to the site.

Per Section 10-1.3010(c) of the HMC, when a project requires both site plan review and use permit approval, an application for the Conditional Use Permit constitutes an application for both. Staff believes the Planning Commission can make the required findings, as detailed in Attachment II, to approve the proposed use and site improvements.

**Hayward 2040 General Plan:** The project site is designated Central City-Retail and Office Commercial (CC-ROC) in the *Hayward 2040 General Plan*<sup>4</sup>. This land use designation allows for commercial development, including retail, dining and service uses. The project includes the establishment of a new service use within an existing commercial building and as such, the project is consistent with the site's General Plan land use designation.

The project is also consistent with several General Plan goals and policies, including but not limited to the following:

- The City shall encourage the establishment and expansion of commercial businesses that increase local spending within Hayward and provide needed goods and services to local residents and businesses (Economic Development Policy ED -1.11).

<sup>1</sup> [Hayward Municipal Code Section 10-25.2.2.070 – Downtown Main Street \(DT-MS\)](#)

<sup>2</sup> [Hayward Municipal Code Section 10-1.3225 – Conditional Use Permit Findings](#)

<sup>3</sup> [Hayward Municipal Code Section 10-25.2.2.070 – Downtown Main Street \(DT-MS\)](#)

<sup>4</sup> [Hayward 2040 General Plan](#)

- The City shall encourage property owners to revitalize or redevelop abandoned, obsolete, or underutilized properties to accommodate growth (Land Use Policy LU-1.4).
- The City shall encourage the integration of a variety of compatible land uses into new and established neighborhoods to provide residents with convenient access to goods, services, parks and recreation, and other community amenities (Land Use Policy LU-1.6).
- The City shall encourage the development of neighborhood amenities and complimentary uses in central locations of the neighborhood whenever feasible (Land Use Policy LU-3.2).

## **STAFF ANALYSIS**

As stated above, staff believes that the Planning Commission can make the required findings to conditionally approve the establishment of an automobile rental business at the proposed site, subject to the findings and conditions of approval included in Attachments II and III of this report.

Automobile rental businesses play a vital role in providing replacement transportation for individuals whose vehicles are temporarily out of service due to accidents or mechanical issues. They also support local corporate clients and meet the needs of leisure travelers. The proposed establishment will offer the Hayward community convenient, reliable access to rental vehicles, addressing a current service gap in the area. Currently, there are no automobile rental businesses located in Downtown Hayward.

According to business license data, only two car rental businesses currently operate within the City of Hayward, one of which is another Enterprise Rent-A-Car. Enterprise has successfully operated at 25900 Mission Boulevard for over 20 years. Thus, the proposed Downtown location will not only serve local residents and businesses but is also expected to attract regional customers due to its central location, accessibility, and proximity to major transit options. As such, the project will fulfill a demonstrated service need while enhancing mobility options and supporting economic activity in Downtown Hayward.

Planning staff believe that establishing an automobile rental business at 1045 C Street would be beneficial in that the site has been vacant for years and will include numerous site and building improvements. The building's current state of disrepair has impacted the surrounding neighborhood, creating a visual impression of a lack of investment in the area. The proposed site improvements, as well as the establishment of a service use in the vacant building, would improve the appearance of the building and activate the location. Additionally, establishing an automobile rental business in Downtown Hayward would bring customers to not only obtain car rental services at this establishment, but also potentially patronize surrounding businesses and restaurants, which could further contribute to the activation of the City's downtown core. Staff has further determined that potential nuisances associated with the establishment would be minimal with the implementation of the Conditions of Approval, which include prohibiting the parking or storing of rental vehicles within the public right-of-way (Condition #12).

## ENVIRONMENTAL REVIEW

The proposed project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Class 1), Existing Facilities, in that the project involves the use of an existing commercial structure with minor interior and exterior alterations and the construction of a small, detached accessory structure for the washing of rental vehicles.

## NEXT STEPS

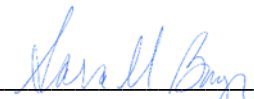
Following the Planning Commission hearing, a ten-day appeal period will take place. If no appeal is received, then the Commission's decision will become final, and the applicant will then be able to proceed with the application of building permits for the project. If an appeal is filed, then a public hearing with the City Council will be scheduled for a date to be determined.

*Prepared by:* Dulce Ochoa, Assistant Planner

*Recommended by:* Elizabeth Blanton, AICP, Senior Planner

*Approved by:*

  
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Jeremy Lochirco, Planning Manager

  
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Sara Buizer, AICP, Development Services Director