

CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Thursday, February 13, 2020

7:00 PM

Council Chambers

Planning Commission

MEMBERS OF THE AUDIENCE WISHING TO ADDRESS THE PLANNING COMMISSION

Obtain a speaker's identification card, fill in the requested information, and give the card to the Commission Secretary. The Secretary will give the card to the Commission Chair who will call on you when the item in which you are interested is being considered. When your name is called, walk to the rostrum, state your name and address for the record and proceed with your comments. The Chair may, at the beginning of the hearing, limit testimony to three (3) minutes per individual and five (5) minutes per an individual representing a group of citizens for organization. Speakers are expected to honor the allotted time.

CALL TO ORDER Pledge of Allegiance: Commissioner Patton**ROLL CALL****PUBLIC COMMENTS**

The PUBLIC COMMENTS section provides an opportunity to address the Planning Commission on items not listed on the agenda. The Commission welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Commission is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff for further action.

ACTION ITEMS

The Commission will permit comment as each item is called for Public Hearing. Please submit a speaker card to the Secretary if you wish to speak on a public hearing item.

WORK SESSION

Work Session items are non-action items. Although the Planning Commission may discuss or direct staff to follow up on these items, no formal action will be taken. Any formal action will be placed on the agenda at a subsequent meeting in the action sections of the agenda.

1. [WS 20-004](#) Review and Comment on Proposed Workplan to Incentivize Housing Production in the City of Hayward

Attachments: [Attachment I Staff Report](#)
[Attachment II Policies to Incentivize Housing Production](#)
[Attachment III Comments from Individual Interviews](#)
[Attachment IV Multi-Family Market Rate Forum Comments](#)
[Attachment V Brief from Convening of Infill Developers](#)
[Attachment VI Comments from Review of Workplan](#)

2. [WS 20-005](#) Mission Boulevard Code Regulations Update Work Session

Attachments: [Attachment I Staff Report](#)
[Attachment II Draft Mission Boulevard Code](#)
[Attachment III Zoning Maps, Existing and Proposed](#)

APPROVAL OF MINUTES

3. [MIN 20-020](#) Minutes of the Planning Commission Meeting of January 23, 2020

Attachments: [PC Minutes 012320 Final Draft](#)

COMMISSION REPORTS

Oral Report on Planning and Zoning Matters

Commissioners' Announcements, Referrals

ADJOURNMENT

NEXT MEETING, FEBRUARY 27, 2020, 7:00PM

PLEASE TAKE NOTICE

That if you file a lawsuit challenging any final decision on any public hearing item listed in this agenda, the issues in the lawsuit may be limited to the issues which were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing.

PLEASE TAKE FURTHER NOTICE

That the City Council has adopted Resolution No. 87-181 C.S., which imposes the 90 day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.

****Materials related to an item on this agenda submitted to the Planning Commission after distribution of the agenda packet are available for public inspection in the Permit Center, first floor at the above address. Copies of staff reports for agenda items are available from the Commission Secretary and on the City's website the Friday before the meeting.****

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or TDD (510) 247-3340.



CITY OF HAYWARD

Hayward City Hall
777 B Street
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File #: WS 20-004

DATE: February 13, 2020

TO: Planning Commission

FROM: Deputy City Manager

SUBJECT

Review and Comment on Proposed Workplan to Incentivize Housing Production in the City of Hayward

RECOMMENDATION

That the Planning Commission reviews and comments on the proposed workplan to incentivize housing production in the City of Hayward.

SUMMARY

The increase in Hayward's population, absent a corresponding increase in housing units, has caused rents and prices to rise as supply has failed to meet demand. On February 6, 2018, Council directed staff to evaluate barriers to development of housing as a strategy to improve housing affordability.

The purpose of this report is to receive comments from the Planning Commission on the recommended workplan designed to incentivize housing production in the City of Hayward. Staff is scheduled to seek Council approval of the work plan on March 3, 2020. Most of the topics recommended require further analysis and stakeholder work and would return to Council individually for final approval prior to implementation. The objective of the proposed workplan is to incentivize the production of both market rate and affordable housing, implement measures to meet the Regional Housing Need Assessment (RHNA) goals, establish "pro-housing" policies to ensure Hayward remains competitive for state housing funds, and improve housing affordability for Hayward residents.

Staff has evaluated policies from proposed state legislation, other jurisdictions throughout the state and country, regional planning efforts, and feedback from industry professionals. Topics include policies related to zoning and housing approvals; accessory dwelling units; impact fees and fee transparency; funding sources; public land disposition; and streamlining the approval process. Staff held multiple stakeholder meetings to solicit feedback from industry professionals. **Attachment II** provides a summary of policies that have been evaluated along with staff analysis and recommendation.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Policies to Incentivize Housing Production
Attachment III	Comments from Individual Interviews
Attachment IV	Multi-Family Market Rate Forum Comments
Attachment V	Brief from Convening of Infill Developers
Attachment VI	Comments from Review of Workplan



SUBJECT

Review and Comment on Proposed Workplan to Incentivize Housing Production in the City of Hayward

RECOMMENDATION

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SUMMARY

The increase in Hayward's population, absent a corresponding increase in housing units, has caused rents and prices to rise as supply has failed to meet demand. On February 6, 2018¹, Council directed staff to evaluate barriers to development of housing as a strategy to improve housing affordability.

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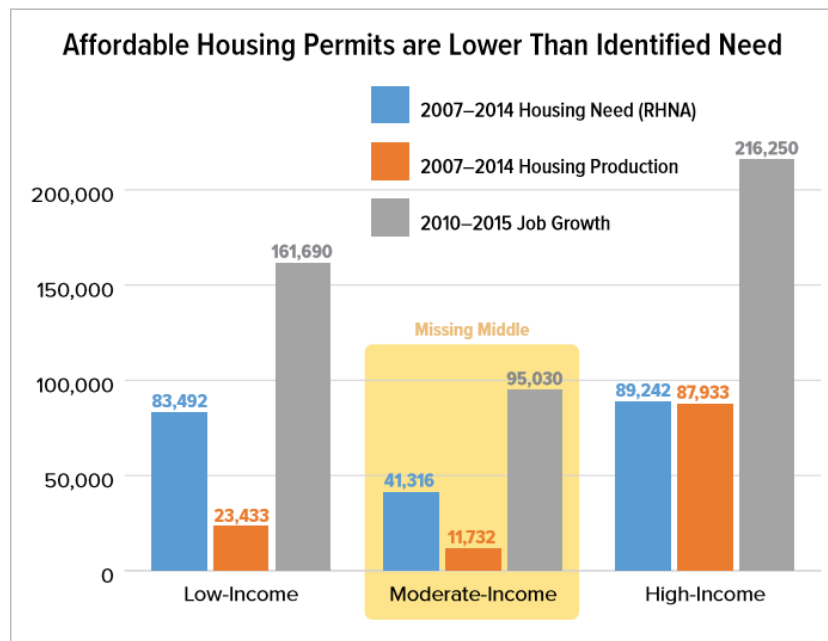
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¹ February 6, 2018 City Council Staff Report and Attachments:
<https://hayward.legistar.com/LegislationDetail.aspx?ID=3335549&GUID=DDD8866E-BAEB-44BF-8EBB-2F716A750170&Options=&Search=>

BACKGROUND

Hayward, like other cities in the Bay Area, is experiencing rising housing prices, severe housing instability for its most vulnerable populations, displacement of existing residents, and increasing homelessness. The increase in Hayward's and the Bay Area's population, absent a corresponding increase in housing units, has caused rents and prices to rise as supply has failed to meet demand. **Figure 1** illustrates the disparity between job growth in the region and housing production which has increased demand for housing throughout the Bay Area².

Figure 1. Regional Housing Production Compared to Job Growth.



Source: Casa Compact¹

As a result, approximately 55% of Hayward renters experience a cost burden as they spend over 30% of their household income on rent. Per the most recent point-in-time count, the number of people who experience homelessness increased by 43% from 2017 to 2019.³ Additionally, renter-occupied units are disproportionately comprised of African-American and Latino households compared to all occupied units, which raises concerns that the risk of potential displacement is greater for certain racial and ethnic populations within the City. While low income renters are the most impacted by rising rents and lack of available rental housing, many Hayward residents are experiencing the impacts of a tight housing market. Homeownership opportunities are out of reach for most Hayward renters. As of October 2019, the median sales price for a detached single-family home is \$730,000⁴ and \$528,500⁵

² Casa Compact

https://mtc.ca.gov/sites/default/files/CASA_Compact.pdf

³ 2019 EveryOne Counts! Homeless Point-in-Time Count

<http://everyonehome.org/wp-content/uploads/2019/05/FAQ-2019-EveryOne-Counts-County-Numbers-Release.pdf>

⁴ BAYEAST Association of Realtor Market Activity Summary Hayward: Detach Single-Family Home

https://bayeast.org/wp-content/uploads/hayward_detached.pdf

⁵ BAYEAST Association of Realtor Market Activity Summary Hayward: Detach Single-Family Home

https://bayeast.org/wp-content/uploads/hayward_attached.pdf

for a condominium or townhome. Purchasing housing at the median sales price requires an income of approximately \$130,000 and \$100,000, respectively for each housing type. Comparatively, the median income for a Hayward renter is \$56,791⁶. Based on the U.S. Census Bureau, 2013-17 American Community Survey 5-year estimates, approximately 21% of Hayward renters have incomes above \$100,000. The high cost of ownership housing prevents renters from becoming homeowners and homeownership can stabilize housing cost and create equity for the homeowner.

On February 6, 2018⁷, City Council convened a work session to review the issue of housing affordability. Council consensus centered on policy options to improve housing stability for renters and identifying ways to incentivizing development of housing. The Residential Rent Stabilization Ordinance was revised on July 25, 2019 to increase renter protections in the City of Hayward; therefore, the focus of this report is limited to activities that increase housing production.

In August 2019, staff held two meetings to review the proposed plan to incentivize housing with stakeholders. Attachment VI identifies the level of support for the proposed policies and comments from stakeholders

On September 5, 2019, the HHTF reviewed the workplan to incentivize housing production and the item was continued to December 11, 2019. The following summarizes the major comments by the HHTF:

- Solicit feedback from market rate developers, in addition to the two stakeholder meetings held in August 2019;
- Provide additional information about the cost of ADUs out of concern that facilitation of ADUs will not provide a solution to housing affordability;
- Consider additional measures to facilitate the development of ADUs such as a day dedicated to processing the applications or pre-approved designs;
- Identification of policies that will provide more homeownership opportunities;
- Identification of income levels served by each proposed policy;
- Include information on income limits associated with income levels;
- Highlight incentives for mixed-income housing.

The information requested by the HHTF was incorporated into Attachment II, which also includes additional information about ADUs not previously provided. Regardless of local concerns with ADU development, recent state law has eliminated most of the City's local regulatory discretion regarding ADUs. Additionally, the summary information proceeding each topic highlights policies that may create homeownership opportunities, identifies which income levels may be served and which policies provide incentives for mixed-income developments. Actual target populations served will be determined on a project level.

⁶ U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_5YR_B25119&prodType=table

⁷ February 6, 2018 City Council Staff Report and Attachments:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=3335549&GUID=DDD8866E-BAEB-44BF-8EBB-2F716A750170&Options=&Search=>

Imposing further targeting restrictions may create a barrier instead of facilitating development.

Following the September 5, 2019 HHFT meeting, staff used multiple methods to seek additional feedback from stakeholders, including the following:

- **Individual Interviews with Market Rate Developers:** Staff interviewed four market rate developers individually to discuss their thoughts about ways to facilitate development in the City of Hayward. Attachment III provides a summary of themes from these developers.
- **Forum with Small Group Discussions:** A forum was held with local developers, rental property owners, rental property membership organizations, real estate professionals, and real estate professional organizations. Attachment IV provides a list of comments from local developers, rental property owners, and real estate professionals.
- **Convening of Infill Developers:** A convening of infill developers was held to discuss accelerating housing opportunities in Hayward. The convening included developers with experience in mixed-use development, mixed-income development, and higher density multifamily development, and revitalization of under-utilized buildings and blighted urban land; as well as an architect, land use economist, commercial real estate broker, and financiers of housing development. Attachment V summarizes the challenges and potential solutions for Hayward.

In addition to this stakeholder work, staff has reviewed recently adopted state legislation to inform the development of a workplan to incentivize housing production. Since these topics were discussed at the last HHTF meeting, state legislation has passed that will become effective in January 1, 2020. Some of the initial proposals have been revised to reflect changes in state law. Additionally, new laws that encourage development use both incentives and penalties to ensure that local governments adhere to the new laws and produce their “fair share” of housing. For instance, some of the new state legislation limits the City’s discretion related to housing development projects, provides funding for affordable housing development, and establishes monetary penalties. Under these new laws, compliance with Housing Element Law and being identified by the state as a “pro-housing” community is becoming crucial to remaining competitive for state housing funding and avoiding penalties.

On December 5, 2019, the HHTF reviewed the updated workplan that addressed the comments of the HHTF and incorporated changes to state law and unanimously approved recommending it to the City Council for consideration and approval with one change: add to the work plan an item to evaluate providing pre-approved plans for ADUs to facilitate development by reducing time and costs associated with obtaining a building permit. This change was incorporated into the recommended workplan contained in this staff report.

On January 14, 2020, City Council held a work session to discuss the proposed workplan. There was general support for the plan from the Council. Some of the major themes from that discussion include:

- Expressing concerns about ADUs including the impact on neighborhoods/parking, the limitations of local discretion by state law and evaluating the possibility of restricting ADUs;
- Accelerating the timeline for evaluation and potential modification of the affordable housing ordinance;
- Evaluating the possibility of fast-tracking development applications for projects that serve priority populations.
- Exploring the possibility of using affordable housing trust funds to pay impact fees.

Housing Element Compliance and Progress Reports. Housing Element Compliance and meeting the City's Regional Housing Need Allocation (RHNA) has become the mechanism for the state to determine if a City is facilitating or impeding housing production. State Housing Element law requires that local jurisdictions describe and analyze the housing needs of their community, the barriers or constraints to providing that housing, and actions proposed to address these concerns over an eight-year period. In addition, Housing Element law requires each city and county to accommodate its "fair share" of projected housing need over the Housing Element planning period. Cities and counties must demonstrate that adequate sites are available to accommodate this need, and that the jurisdiction allows for development of a variety of housing types. This housing need requirement is known as the RHNA and apportions to each jurisdiction its portion of the Bay Area's projected need.

Annually, local jurisdictions report their progress meeting their RHNA goals. Table 1 (below) reflects the progress made toward meeting Hayward's RHNA goal as of the last report year (2018), estimated progress based on number of units entitled, and progress based on projects seeking approval, for the period between 2015-2023. Table 2 provides the income limits associated with each income category for Alameda County. Note, to be counted toward the RHNA goals, permits to construct the unit must be issued. As a reminder, the City does not actually build housing. City staff simply review and issue building permits for private development proposals that are submitted.

Table 1. 2015 -2023 RHNA Goal Progress in the City of Hayward

Income Category	Unit Goal	Reported 2018		Approved		Pending Approval		Estimated Compliance		Estimated Deficiency	
		Units	% of goal	Units	% of goal	Units	% of goal	Units	% of goal	Units	% of goal
Very low	851	40	5%	147	17%	180	21%	367	43%	484	57%
Low	480	19	4%	209	43%	54	11%	282	59%	198	41%
Moderate	608	0	0%	40	7%	21	3%	61	10%	547	90%
Above Moderate	1981	873	44%	2,617	132%	318	16%	3,808	192%	0	N/A

Table 2. Income limits by Income Category and Household Size for Alameda County as Established by California Department of Housing and Community Development

Income Category	Household Size							
	1	2	3	4	5	6	7	8
Extremely Low 30% AMI*	\$26,050	\$29,750	\$33,450	\$37,150	\$40,150	\$43,100	\$46,100	\$49,050
Very low 50% AMI*	\$43,400	\$49,600	\$55,800	\$61,950	\$66,950	\$71,900	\$76,850	\$81,800
Low 80% AMI*	\$69,000	\$78,850	\$88,700	\$98,550	\$106,450	\$114,350	\$122,250	\$130,100
Median 100% AMI	\$78,200	\$89,350	\$100,550	\$111,700	\$120,650	\$129,550	\$138,500	\$147,450
Moderate 120% AMI	\$93,850	\$107,250	\$120,650	\$134,050	\$144,750	\$155,500	\$166,200	\$176,950

* Percent area median income (AMI) is used to identify income and rent levels; however, the method for calculating income limits involves assessment of multiple data points and is not necessarily a percent of the median income. For more information see <https://hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf>

Hayward's progress toward meeting the current RHNA goals identifies the need to incentivize housing for very low-, low, and moderate-income households. Over the last Housing Element cycle, most cities did not meet their RHNA goals. In order to meet the RHNA goals, the City will have to approve a mix of 100% affordable housing properties and large mixed-income properties. Small mix-income properties will not provide enough units to meet the goal. Additionally, the City needs to explore new financing mechanisms that can be used to fund moderate income housing to incentivize housing for the missing middle.

State Funding Prioritizing Housing Element Compliance and Pro-Housing Cities. Another critical piece to incentivizing housing production is maintaining Housing Element compliance and obtaining designation from the state as a "pro-housing" City. The state has indicated that jurisdictions that have adopted a housing element in compliance with state law and that have been designated pro-housing, will be awarded additional points or preference in scoring of program applications for funding, such as local government planning support grants, affordable housing grant programs, homelessness housing assistance and prevention programs, and low barrier navigation centers. A pro-housing city will have policies that facilitate the planning, approval, or construction of housing, including:

- Establishing local housing trust fund
- Reducing parking requirements
- Using by right approval
- Zoning more sites residential or zoning sites at higher densities
- Adoption of accessory dwelling unit ordinances (ADU) that reduce barriers to development
- Reduction of processing time
- Creation of objective development standards
- Reduction of development impact fees

- Establishment of Workforce Housing Opportunity Zone or housing sustainability district

Compliance with the Housing Element Law and meeting state funding priorities have been incorporated into the analysis of policies that will incentivize production of housing in Hayward. The proposed policies will serve the dual purpose of creating more housing for local residents and conforming with state law and priorities to ensure access to state funding opportunities.

DISCUSSION

With the high housing cost burden for Hayward residents and low home ownership rates, housing affordability is a major concern for many Hayward residents. Both rental and ownership opportunities are out of reach for many current residents. The state is actively pursuing solutions that impose new requirements on local government to mitigate obstacles imposed by local government regulations. To respond to concerns about housing affordability in Hayward and proactively find housing solutions that meet the needs of Hayward residents, maintain compliance with state law, position Hayward to receive funding from the state, and respond to feedback by the development community, staff has developed a workplan intended to incentivize housing production. The specific objectives of the proposed plan are to:

- Incentivize the production of both market rate and affordable housing;
- Incentivize inclusion of on-site affordable inclusionary units in market rate developments;
- Implement measures to meet Regional Housing Need Assessment (RHNA) goals included in the Housing Element;
- Establish “pro-housing” policies to ensure Hayward remains competitive for state housing funds; and
- Improve housing affordability.

This workplan identifies topics that staff recommends for further analysis and, in some cases, further work with stakeholders. Approval of the workplan only authorizes staff to conduct further analysis. If the workplan is approved, each topic will be brought to Council individually for a work session and/or approval unless otherwise indicated.

Development of the Proposed Workplan

To develop the proposed workplan, staff reviewed strategies from multiple sources including proposed state legislation, policies from other jurisdictions, and regional planning efforts such as the CASA Compact. Additionally, staff received individual feedback from developers working on projects in the City, held two stakeholder meetings with industry professionals, held a small group discussion forum with local developers, real estate professionals, and rental property owners, and conducted a convening of infill developers to discuss acceleration of infill development in Hayward.

Attachment II provides a description of the policies that have been considered by staff, which includes a summary of each policy, staff analysis, recommendation, and classification of the

policy in the context of a “pro-housing” city. There are six major topics that have been explored, which include:

- **Zoning and housing approvals** including proposed zoning text amendments or amendments to the General Plan that will result in by right approvals of shelters meeting specific criteria, upzoning residential land use categories, and increases in density contingent on provision of on-site affordable housing.
- **ADU approvals** including amendments to the ADU ordinance to conform with state law, to further reduce barriers for property owners, and incentivize the creation of accessory dwelling units which will provide a lower cost housing option for residents and help meet the City’s moderate income RHNA allocation.
- **Impact fees and transparency** including exemptions and reductions of development impact fees for affordable units and ADUs, which will incentivize the production of on-site affordable inclusionary units and low-cost ADUs by mitigating the City controlled development costs.
- **Funding resources** including consideration of funding options to incentivize the production of affordable housing such as ballot measures, impact fees, piloting a new financing model, pursuing state funding, and Affordable Housing Notice of Funding Availability (NOFA). Through a NOFA, the City will be able to set priorities such as ownership housing versus rental housing, targeting specific populations, and targeting underserved income levels.
- **Public land disposition** including prioritization of on-site affordable housing for residential projects developed on City owned land and utilizing existing state legislation to convert underused and tax defaulted properties to permanent affordable housing.
- **Streamlining approval processes** including implementation of streamlined approvals for housing projects meeting objective development criteria and creating a “Package of Incentives” that will identify financing opportunities or cost saving measures that are associated with on-site affordable housing.

Major Themes from Stakeholder Participation

As described in the background, there were numerous opportunities for stakeholders to provide feedback. There were five major themes that were identified from stakeholder feedback including:

- **More flexibility:** The City should create more flexibility in development standards, design guidelines and existing zoning such as blended density or allowing the developer to determine the required parking taking into consideration marketability.

- **Upfront certainty:** Developers would like more upfront certainty. This would entail freezing or deferring fees, honoring existing regulations without “late hits,” avoid additional requirements or design elements that will add cost and delay development timelines, and greater understanding by policymakers that certain requests can impact project feasibility.
- **Expedite approval processes:** Reduce the time it takes to get planning approvals and permits or at a very minimum establish an upfront timeline and work jointly to meet it.
- **Partnership mentality:** The City should be solution-oriented and approach each development as a partnership by providing guidance, technical support to the developer, and defend projects when faced with community opposition.
- **Reasonable ground floor commercial space requirements:** There is insufficient demand for retail and commercial space on every project along the City’s major corridors, which undermines the feasibility of housing projects. Developers thought that the City should be more strategic about retail/commercial space and focus on key and corner locations.

To the greatest extent practicable, the proposed workplan addresses these concerns. Topics and policy objectives are described in Attachment II. However, it is important to note that increased flexibility may result in less upfront certainty. Additionally, a partnership mentality will require both the City and the developer to identify constraints and propose solutions reasonable to both parties. Lastly, while the City is identified as singular, expediting the approval process requires coordination amongst multiple departments and outside agencies and may take time for efficiency measures to be adopted by all departments.

Council Feedback on Proposed Work Plan

On January 14, 2020, City Council held a work session to discuss the proposed workplan. There was general support for the plan from the Council. Some of the major themes from that discussion include concern about ADUs, timeline for evaluating the AHO, fast-tracking application for projects that serve priority populations and use of affordable housing funds to pay impact fees.

Staff will evaluate these items prior to final report on March 3, 2020. However, staff strongly recommends maintaining proposed timeline for evaluating the AHO because frequent modifications of development standards becomes an impediment to development. While there is concern that not many mixed income projects have been proposed, it may be too early to make determination on the effectiveness of the AHO because:

- Most projects that have been approved since adoption of the new ordinance were conceived before the new AHO was adopted and were not designed under current requirements; and
- No affordable housing in-lieu fees have been collected based on the new rate.

It is important to note that:

- The affordable housing in-lieu fee revenue is an important resource to subsidize 100% affordable housing developments and to cover staff costs;
- State law requires that Cities provide alternate means to comply;
- 100% affordable housing projects will advance the City's efforts to meet the RHNA goals more than on-site affordable units even with higher affordable unit requirements; and
- Modifications to the AHO will require an economic feasibility study to ensure that the proposed change will not become an impediment to development.

Staff will continue to evaluate Council's feedback on proposed workplan and will have final plan for approval on March 3, 2020.

Policy Context and Code Compliance

Hayward 2040 General Plan Housing Element. The proposed workplan is intended to incentivize the development of housing at all income levels which will help the City to meet the RHNA goals. Additionally, subject to adoption of the proposed elements of the workplan, the workplan will support the following Housing Element goals.

- H-2 Assist in the development of affordable housing.
- H-3 Provide adequate sites for a variety of housing types.
- H-4 Remove constraints
- H-6 Housing for persons with needs

Table 3 on the following pages summarizes the workplan to incentivize housing production and identifies which goal(s) each component of the work plan supports.

Strategic Initiatives. This agenda item supports the Complete Communities Strategic Initiative. The purpose of the Complete Communities Strategic Initiative is to create and support structures, services, and amenities to provide inclusive and equitable access with the goal of becoming a thriving and promising place to live, work, and play for all. This item supports the following goal and objectives:

- 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 1: Centralize and expand housing services.
 - Objective 2: Facilitate the development of diverse housing types that serve the needs of all populations.
 - Objective 4: Increase the supply of affordable, safe and resilient housing in Hayward.

Proposed Workplan

The proposed workplan includes policies that were either recommended or highly recommended by staff. While it is not anticipated that these measures will completely address developers concerns, staff expects that these measures will make great strides to improve the development approval process. **Table 3** summarizes the workplan based on a phased timeline. These timelines include current administrative responsibilities that are already in progress and policy initiatives that can be accomplished in 1-2 years (short-term), 2-3 years (mid-term), and 3-5 years (long-term). Additionally, **Table 3** identifies how the workplan relates to the state priorities and the Housing Element goals. A list of the applicable Housing Element goals can be found on page the preceding page.

Table 3. Workplan to Incentivize Housing Production:

Short-term Administrative Responsibilities/In Progress				
Topic	Policies	Type	State Priority "pro-housing"	Housing Element Goal
Streamlining	Streamline approval of affordable housing projects meeting specific criteria established in SB 35	Administrative	Reduction of processing time	H-2 H-4
Streamlining	Review approval process to address inefficiencies	Administrative	Reduction of processing time	H-2 H-4
Public Lands	Prioritize on-site affordable housing for residential projects developed on City-owned land	Administrative	Meet RHNA Goals	H-2 H-3
Fees/ Transparency	Improve transparency	Administrative	N/A	H-2 H-4
Streamlining	Hold informational City Council work session to discuss project feasibility, residual land value, and implication of demands beyond established requirements	Work Session		H-2 H-4

Short-Term Policies (1-2 years)				
Topic	Policies	Type	State Priority "pro-housing"	Housing Element Goal
Fees/ Transparency	Deferral of utility impact fees	Administrative	Reduction of impact fees	H-2 H-4
Fees/ Transparency	Exempt, reduce, defer, and provide loans for impact fees on affordable units	Work Session Legislative	Reduction of impact fees	H-2 H-4
Fees/ Transparency	Exempt and reduce impact fees for ADUs as required by state Law	Work Session Legislative	Reduction of impact fees	H-4
Zoning/Housing Approvals	Conform ADU ordinance with state law	Legislative	Use of by right approval	H-4

Funding	Moderate-income affordable housing finance model	Legislative	Meet RHNA Goals	H-2 H-4
Funding	Pursue state housing and planning funding opportunities	Legislative	N/A	H-2 H-4

Mid-Term Policies (2-3 years)

Topic	Policies	Type	State Priority “pro-housing”	Housing Element Goal
Zoning/Housing Approvals	Conform Hayward Density Bonus with state law and explore density bonus greater than 35%	Outreach Work Session Legislative	Meet RHNA Goals	H-2 H-4
Zoning/Housing Approvals	Allow emergency shelter sites in more areas within the City	Outreach Work Session Legislative	Use of by right approval	H-2 H-4 H-6
Public Lands	Program to convert tax defaulted properties to affordable housing	Administrative Legislative	Meet RHNA Goals	H-2 H-3
Streamlining	Package of Incentives	Administrative	Reduction of processing time	H-4
Funding	Allocation of Affordable Housing Trust Funds	Work Session	Local Housing Trust Fund	H-4
ADU Approvals	Evaluate the possibility of providing pre-approved plan sets to facilitate the development of ADUs	Administrative	Reduction of Processing time	H-2 H-6

Long-Term Policies (3-5 years)

Topic	Policies	Type	State Priority “pro-housing”	
Zoning/Housing Approvals	Upzone Residential Land Use Categories and Expand Single-Family Residential Land Use Categories to Allow Up to Four Units	Outreach Work Session Legislative	Use of by right approval	H-3 H-4
Zoning/Housing Approvals	Prepare the City’s General Plan Housing Element for next cycle.	Outreach Work Session Legislative	Regulatory Compliance	All
Zoning/Housing Approvals	Evaluate City’s Affordable Housing Ordinance	Outreach Work Session Legislative	Meet RHNA Goals	H-2

Support for the plan indicates a desire to evaluate the proposed policies further, not to approve them all. Approval of this plan will authorize staff to continue to evaluate the topics listed above. After the topics have been evaluated, staff will return to Council with recommendations within the proposed time frames, as indicated above. Some of the items will require extensive evaluation, community outreach, and determination if the policy measure will work for Hayward.

NEXT STEPS

Staff will seek final approval of the workplan from City Council on March 3, 2020. If approved by the Council, staff will continue working on administrative efforts currently in progress, will evaluate items in the workplan, and will return to Council for work sessions or with legislation in the timeframes listed above. Some of the items will require extensive evaluation, community outreach, and determination if the policy measure will work for Hayward.

Prepared by: Christina Morales, Housing Division Manager

Approved by:



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Laura Simpson, Development Services Director

ZONING AND HOUSING APPROVAL

TOPICS EVALUATED

OVERVIEW

Zoning and housing approvals can be costly and time consuming. Projects that do not conform with the General Plan or zoning must request general plan amendments or variances. In some cases, the requests require additional studies, a higher level of approval and additional public comment. Lengthy approval times add additional cost to the project and can make a project less feasible. Staff identified topics for further consideration which would streamline the entitlement process. The subsections below provide information regarding each topic considered and whether it is recommended for further evaluation. Proceeding each section is a table the summarizes information including types of projects, income targeting, objectives, recommendations, and timelines.

I. Density Bonus

Summary	
Objective	<ul style="list-style-type: none"> As required by state law, provide incentives to include affordable housing units in market rate projects by providing an increase in density and/or development incentives without requiring local officials to approve general plan amendments and zoning changes. Amend ordinance to conform with recent changes to state law including new “Super Density Bonus” for 100% affordable housing projects. Determine if increasing density bonus for market rate projects beyond state law is appropriate for Hayward.
Benefits Market Rate Development	Yes: Encourages the inclusion of on-site affordable housing units as means to comply with the Affordable Housing Ordinance because it reduces project cost.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing.
Household Targeting	Very low, low, moderate and above moderate (see Appendix A for details); seniors, college students, foster youth, disabled veterans, persons experiencing homelessness
State Priority for “Pro-housing City”	Streamlining, Use of Right Approval
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Highly Recommended <ul style="list-style-type: none"> Must comply with state mandates Recommend evaluating with stakeholder participation if a greater density bonus for mixed-income properties is warranted
Proposed Timeline	Mid-term (2-3 years)

Policy Description. Density Bonus is a state mandate. Density Bonus Law requires that developers who meets the requirements of state law be granted increased density and/or other incentives or concessions in exchange for meeting specific housing needs such as affordable housing or senior housing. Developers can request percent increase in density beyond current zoning, reduction of development standards, modification of zoning codes or architectural design requirements, approval of mixed-use zoning; or other regulatory incentives or concessions to achieve cost savings. Unless the City determines that the proposed concession or incentive does not reduce costs, would cause a public health or safety problem, would cause an environmental problem, would harm historical property, or would be contrary to law, the City is required to grant the concession or incentives. The following are some examples of requirements that entitle a developer to a density bonus:

- At least 5% of the housing units are restricted to very low-income residents.
- At least 10% of the housing units are restricted to lower income residents or moderate-income residents in a for-sale common interest development.
- At least 20% of the housing units are for low-income college students in housing dedicated for full-time students at accredited colleges.
- The project is a senior citizen housing development (no affordable units required).

Policy Analysis. Other jurisdictions that have Density Bonus that exceeds 35% State Density Bonus include Anaheim, Glendale, Sacramento County, San Diego, Santa Rosa, Walnut Creek and San Francisco. Density Bonuses in these jurisdictions range in applicability. Some jurisdictions allow density bonuses with no specific limit or geographical area and are decided on a case by case basis in exchange for some community benefit like higher affordable housing allocations. San Diego allows up to 50% density bonus plus five exceptions for projects that allocate higher numbers of affordable housing units or deeper levels of affordability. Santa Rosa and Sacramento County allow higher density bonuses within certain geographical areas (i.e. proximity to transit, located within downtown areas), and in exchange for certain development features (i.e. preservation of environmentally sensitive areas and energy conservation features).

The objective of the State Density Bonus is to reduce development costs in exchange for meeting the housing needs of specific target populations. Affordability levels required by the Density Bonus Law mostly meet the requirements of the Affordable Housing Ordinance which will encourage the inclusion of on-site affordable units and promote mixed-income housing. It is important for the City to be proactive about making this connection for the developers. The Density Bonus would be included as an incentive as part of the proposed "Package of Incentives" described under the streamlining topic.

Can provide developer with increased flexibility and an expedited approval process if proposed project would otherwise exceed maximum density for the site.

Workplan Proposal. At a minimum, this proposal would require amendments to the Hayward Municipal Code to conform Hayward's Density Bonus Provisions with state law. Additionally, efforts could include stakeholder outreach to evaluate the benefit of a density bonus above state law. Additional density bonus would be dependent on certain yet-to-be-determined criteria that would need to be met by the project depend (e.g., number and

type of affordable units being proposed; the housing type; the underlying General Plan designation and zoning; and surrounding development). The City has requested SB2 grant funding to fund this work. This work would be completed over a 2 to 3-year time period.

Recommendation. Highly recommended that the City conform Density Bonus Ordinance with state law and evaluate (with stakeholder participation) increased density bonus for market rate/mixed-income projects.

II. Upzone Residential Land Use Categories and Expand Single-Family Residential Land Use Categories to Allow Up to Four Units

Summary	
Objective	Evaluate all residential zoning districts and land use designations to determine if appropriate to upzone to allow for additional residential development and expand citywide single-family residential land use categories to allow residential structures with up to four dwelling units – like duplexes, triplexes, ad fourplexes – in single family zones
Benefits Market Rate Development	Yes. Helps developers and property owners avoid lengthy and expensive rezoning process.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing.
Household Targeting	Very low, low, moderate and above moderate (see Appendix A for details)
Regional Housing Needs (RHNA)/ Housing Element Goals	Anticipated that the smaller project would pay the affordable housing in-lieu fee, but change could produce smaller non-restricted affordable by design units.
State Priority for “Pro-housing City”	Use of Right Approval
Level of Recommendation	Recommended <ul style="list-style-type: none"> Evaluate with stakeholder participation upzoning options from addressing inconsistencies between zoning and the general plan to a more comprehensive upzoning of all residential districts.
Proposed Timeline	Long-term (3+ years)

Policy Description. This policy would explore the possibility of expanding some or all single-family districts to reduce the required lot size or allow up to four units if the owner chooses to develop more units. Changing the zoning will facilitate development because it will eliminate the need for completing lengthy and expensive rezoning process.

Policy Analysis. Cities establish plans and regulations to ensure orderly development in their community. As required by state law, the City adopts a General Plan that sets a vision for future development. Zoning Ordinances translates the plan into specific requirements and identifies what a property owner can do with their land. If the land has been zoned as single family, a property owner would not be able to add an addition unit to their property without completing lengthy and expensive rezoning process. Staff has identified several options, that require further evaluation, that could increase the number of units allowed single family districts.

Option 1: Comprehensive Upzoning of All Residential Zoning Districts. Proposal to evaluate all existing residential zoning districts to determine the potential to upzone allowing more density than currently allows across all zoning districts. As an example, stakeholder feedback identified some areas zoned RSB10, which require a 10,000 sq. ft. lot minimum and the potential to rezone to RS, which requires a 5,000 sq. ft. lot minimum, which would allow for increased density without changing the single-family character of the neighborhood. This would require rezoning and potential General Plan Amendments to allow for the increased density in appropriately identified areas ensuring zoning and General Plan designations for properties were consistent and may have CEQA impacts.

Option 2: Upzoning of All Single-Family Zoning Districts. Proposal to create a new land use category to allow residential structures with up to four dwelling units in single-family residential zones. Project would require General Plan Amendment to allow for a variety of attached as well as detached housing types. Examples include Minneapolis and Oregon.

Option 3: Upzoning of Only Those Single-Family Zoning Districts Inconsistent with the General Plan. Create an Overlay District that applies to properties that have a Medium Density Residential land use designation in the General Plan and an inconsistent Single Family Residential district designation in the zoning ordinance (applies to approximately 1,558 parcels city-wide and approximately 289 acres), resulting in the upzoning of these properties to a higher medium density zoning category. This would allow property owners to avoid the lengthy and expensive rezoning process to make the parcel consistent with the General Plan and would be in line with the General Plan designation adopted for the neighborhood. This could be part of any effort under Option 1 above.

Upzoning would provide the developer with increased flexibility.

Workplan Proposal. Evaluate all residential zoning districts and land use designations to determine if appropriate to upzone to allow for additional residential development and expand city-wide single-family residential land use categories to allow residential structures with up to four dwelling units – like duplexes, triplexes, ad fourplexes – in single family zones. Depending on the option pursued, this may require rezoning and General Plan Amendments.

All of these efforts would require extensive outreach and further evaluation. The City has requested SB2 grant funding to fund this work. This work would be completed over three plus year time period.

Recommendation. Recommended that the City evaluate with stakeholder participation upzoning options ranging from addressing inconsistencies between zoning and the general plan to comprehensive upzoning of all residential districts.

III. Allow Emergency Shelter Sites in More Areas within the City

Summary

Objective	Expand locations where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit.
Targeted Projects	Homeless shelters
Household Targeting	Extremely low-income and Very low-income (see Appendix A for details) people experiencing homelessness.
Benefits Market Rate Development	No
State Priority for "Pro-housing City"	Use of Right Approval
Regional Housing Needs (RHNA)/ Housing Element Goals	<ul style="list-style-type: none"> • Does not contribute to fulfilling RHNA allocation • Contributes to fulfilment of Housing Element goals: <ul style="list-style-type: none"> • H-4.2 to provide clear development standards and approval procedures for multifamily housing and emergency shelters. • H-6.1 Address Special Needs Housing including emergency shelters. • H-6.6 Support organizations that serve the Homeless Community.
Level of Recommendation	Recommended Recommend further evaluating with stakeholder participation
Proposed Timeline	Mid-term (2-3 years)

Policy Description. State law requires that local jurisdictions strengthen provisions for addressing the housing needs of people experiencing homelessness, including the identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use permit. The proposed policy would expand the locations where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The City could identify written objective standards for a shelter to qualify such as the maximum number of beds.

Policy Analysis. Emergency shelters are defined (per Health and Safety Code 50801) as housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay. Emergency Shelters are permitted as by right uses in the S-T4 (South Hayward Form Based Code, T4) District and as a by right use above ground floor commercial uses in the MB-T4 (Mission Boulevard Form Based Code, T4-1 and T4-2) Districts (and with a CUP on the ground floor in those sub-districts). The HMC has special requirements for Emergency shelters within the Form Based Code areas (i.e. must be located along Mission Blvd, among other performance standards). See Secs. 10-24.295 and 10-25.295(b) for special requirements. In the South Hayward MB FBC areas, there are 674 parcels (256 acres) where an emergency shelter may be established. Homeless Shelters are permitted as a by right use in the Industrial District on publicly owned land.

SB 744 - amends the Supportive Housing Streamlining laws adopted in 2018. Supportive Housing Projects eligible for streamlining pursuant to Government Code 65651 are not subject to CEQA. This would expedite the permitting process by shortening time periods for filing notices of exemption and notices of determination of supportive housing projects funded with No Place Like Home Funds.

Workplan Proposal. Evaluate if expansion of locations of emergency shelters is needed and identify allowable locations. This effort would require extensive outreach and further evaluation. This work would be completed over 2 to 3-year time period.

Recommendation. Recommend further evaluating with stakeholder participation.

IV. Evaluate City's Affordable Housing Ordinance (AHO)

Summary	
Objective	Identify and address inconsistencies in the AHO with other affordable housing policies, state mandated requirements or impediments to development.
Benefits Market Rate Development	Yes. Avoiding frequent changes in housing policy helps market rate developers have confidence in the feasibility of the project. As the AHO is evaluated, maintain an understanding that the AHO can also create an impediment to a development's feasibility.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing.
Household Targeting	Very low, low, moderate and above moderate (see Appendix A for details)
State Priority for "Pro-housing City"	Establishes Affordable Housing Trust Fund
Regional Housing Needs (RHNA)/ Housing Element Goals	<ul style="list-style-type: none"> Onsite units will produce a modest number of units at all income levels: <ul style="list-style-type: none"> Very low, low, moderate and above moderate; Ownership: 100 affordable units per 1000 market rate units for Rental: 60 affordable units per 1000 market rate units. Affordable housing in-lieu fees will subsidize 100% affordable housing projects which are instrumental in meeting the RHNA goals. Council would determine the priority affordability levels for the next NOFA.
Level of Recommendation	Recommended Recommend evaluating with stakeholder participation three years after implementation.
Proposed Timeline	Mid-term (2-3 years)

Policy Description. The Affordable Housing Ordinance creates new affordable ownership or rental units at various income levels. Developers have the option of including on-site affordable units in their project and creating a mixed-income development, providing off-site affordable housing, proposing alternative ways to provide affordable housing, or paying the affordable housing in-lieu fee. The in-lieu fee revenue must be used to fund the development of affordable housing. It is important to evaluate new legislation to determine if it is serving its objectives.

Policy Analysis. The City last updated the AHO in December 2017. Effects of the changes will not be apparent until years after modification of the ordinance due to the time it takes for development project to be complete. Most projects that were approved since adoption of the new ordinance were conceived before the new AHO was proposed. It is also important to note that in-lieu fee revenue is an important resource to fund 100% affordable housing developments. To meet the Regional Housing Needs Allocation (RHNA) goals, the City will need more 100% affordable housing developments. Additionally, staff will work on a "Package of Incentives" (See item XXV) to promote the inclusion of on-site

affordable units. Lastly, there is concern that frequent changes to development requirements become an impediment to housing development. While there is concern that not many mixed income projects have been proposed, it may be too early to make determination on the effectiveness of the AHO.

Allowing developers to comply with the affordable housing ordinance as written will provide more flexibility and upfront certainty.

Workplan Proposal. Staff proposes holding a work session only after the ordinance has been in effect for at least three years and implemented other incentives to develop mixed income properties. Staff recommends evaluating the ordinance within 2 to 3 years.

Recommendation. Recommend evaluating with stakeholder participation three years after implementation.

V. Prepare General Plan Housing Element for Next Cycle

Summary	
Objective	Ensure that the City's General Plan Housing Element is in compliance with new state law to avoid court sanctions (July 1, 2020) and incorporate "prohousing" housing element criteria to earn extra points for HCD funding.
Benefits Market Rate Development	Yes. State Housing Element law requires that local jurisdictions describe and analyze the housing needs of their community, the barriers or constraints to providing that housing, and actions proposed to address these concerns over an eight-year period.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing.
Household Targeting	Very low, low, moderate and above moderate (see Appendix A for details)
State Priority for "Pro-housing City"	N/A
Regional Housing Needs (RHNA)/ Housing Element Goals	Could produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Recommended Preparation of the General Plan Housing Element is a state mandate.
Proposed Timeline	Mid-term (2-3 years)

Policy Description. Identify new state mandates to ensure City's General Plan Housing Element is in compliance to avoid court sanctions and incorporate "prohousing" housing element criteria to earn extra points for HCD funding.

Policy Analysis. The City will be required to update the City's General Plan Housing Element by 2023. Failure to comply with mandate may result in court sanction and reduce the City's competitiveness for state housing funds.

Workplan Proposal. Update the City General Plan Housing Element as required by state law by 2023.

Recommendation. Recommend that the City Comply with state law and prepare the next General Plan Housing Element incorporating “prohousing” Housing Element Criteria.

VI. Modify Parking Requirements in the Parking Ordinance

Summary	
Objective	Amend the parking ordinance with elimination or modification of parking requirements to reduce costs associated with parking.
Benefits Market Rate Development	Possibly: Reduction of parking requirements may reduce costs; however, units in certain locations may be less marketable with reduced parking.
Targeted Projects	Market rate, Mixed-income and affordable housing; rental and ownership housing.
Household Targeting	Very low, low, moderate and above moderate (see Appendix A for details)
State Priority for “Pro-housing City”	Reducing Parking Requirements
Regional Housing Needs (RHNA)/ Housing Element Goals	Could produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Not Recommended Not Recommended at this time as there is much debate about the topic.
Proposed Timeline	Long-term (3+ years)

Policy Description. Amend the parking ordinance with elimination or modification of parking requirements to reduce costs associated with parking.

Policy Analysis. Reducing, modifying or eliminating parking requirements is being discussed as a keyway to reduce the cost of construction for housing development and vehicle miles travelled throughout the state and region. Providing adequate supply of parking in new developments is a much-debated topic in the City of Hayward and is, therefore, not being recommended by staff at this time, although likely to be a topic that is addressed comprehensively throughout the City at a later point in time once there are adequate staff resources to take on this additional project.

Recommendation. Not Recommended.

ACCESSORY DWELLING UNITS (ADU)

TOPICS EVALUATED

OVERVIEW

Per the State of California Department of Housing and Community Development (HCD), ADUs are an innovative, affordable, effective option for adding much-needed housing in California. The benefits of ADUs include:

- ADUs are an affordable type of home to construct in California because they do not require paying for land, major new infrastructure, structured parking, or elevators.
- ADUs can provide a source of income for homeowners.
- ADUs are built with cost-effective wood frame construction, which is significantly less costly than homes in new multifamily infill buildings.
- ADUs allow extended families to be near one another while maintaining privacy.
- ADUs can provide as much living space as many newly built apartments and condominiums, and they're suited well for couples, small families, friends, young people, and seniors.
- ADUs give homeowners the flexibility to share independent living areas with family members and others, allowing seniors to age in place as they require more care.
- Development of new ADUs contribute to moderate income RHNA goals.

The state has mandated standards related to ADUs to reduce development barriers for property owners.

The cost of developing an ADU varies based on size and location of ADU. The following table summarizes costs associated with ADU applications received in 2018 and 2019.

Location of ADU	Average Construction Cost	Average Size	Average Cost per Square Foot	Average Cost Fees and Taxes	Average Total Costs
Detached	\$85,072	634 sf	\$139	\$30,145	\$115,172
Attached	\$94,954	641 sf	\$142	\$35,570	\$130,524
Conversion of Existing Space	\$51,354	522 sf	\$113	\$18,409	\$ 69,763

VII. Reduce Time to Issue ADU Permit

Summary	
Objective	Reduce City's time to issue a permit through adjustment to internal processes.
Benefits Market Rate Development	Yes. Streamlines approval process for property owners that wish to add ADU.
Targeted Projects	Additions to existing housing units in single family zoned districts
Household Targeting	Low- and Moderate-Income Households; Affordable by design
State Priority for "Pro-housing City"	Reduction of Permit Processing Time
Regional Housing Needs (RHNA)/ Housing Element Goals	Can be counted as moderate income units to meet RHNA goals.
Level of Recommendation	Already addressed
Proposed Timeline	N/A

Policy Description. Reduce City's time to issue a permit through adjustment to internal processes.

Policy Analysis. Currently, Planning approval for ADUs is typically completed within two weeks of submittal of a Zoning Conformance application.

According to Building Permit records, it takes between 2-10 months between building permit application to issuance of permit with an average of six months. The range in timing is related to quality of plans and responsiveness of applicant to comments. Other Cities have implemented further improvements such as same day approval process which would require participation of multiple departments. Other improvements could include sample pre-approved plans to address the quality of plans submitted.

Workplan Proposal. Staff recommends no further improvements at this time. Staff proposes prioritizing updates to the ADU Ordinance, as required by state law, and activities that will reduce time to process applications for larger scale projects.

Recommendation. No further improvements at this time.

VIII. Update City's ADU Ordinance to Conform with State Law

Summary

Objective	Increase the supply of naturally occurring affordable housing by providing more flexibility to property owners interested in adding ADUs to their properties as required by state.
Benefits Market Rate Development	Yes. Removes some restrictions related to adding ADUs to a privately-owned property. Allows rental property owners to add ADUs to both single-family and multi-family properties.
Targeted Projects	Additions of ADUs to existing housing in single family zoned districts or multi-family developments.
Household Targeting	Low- and Moderate-Income Households; affordable by design
State Priority for “Pro-housing City”	Use of Right Approval
Regional Housing Needs (RHNA)/ Housing Element Goals	Can be counted as moderate income units to meet RHNA goals.
Level of Recommendation	Highly Recommended <ul style="list-style-type: none"> City’s Ordinance will be null and void if it does not meet state Requirements.
Proposed Timeline	Mid-term (2-3 years)

Policy Description. Existing ADU ordinance will be “null and void” on January 1, 2020. While the state has left little room for local discretion, the City will need to update its ADU ordinance to establish any discretion it has.

Policy Analysis. Recent state legislation has limited Cities authority related to ADU requirements. For example, the state has restricted limitations on parking requirements, limitations on setbacks, limitations on size, impact fees, owner occupancy requirements. Local ordinance can establish:

- Objective landscaping, design, privacy, historic standards;
- Height limits above 16 feet;
- Size limitations above state requirements;
- Location standards for larger detached ADUs and attached ADUS;
- Prohibit all short-term rentals if desired;
- Application and submittal requirements;

Sixty days after adoption, the City will have to send new ADU ordinance to the state for review. In the interim, approval of ADUS will default to the state ministerial streamlining requirements.

Workplan Proposal. Update City’s ADU Ordinance to comply with state law and set City’s standards where allowable. Staff recommends updating the ordinance within 2 to 3 years.

Recommendation. Highly recommended that we establish Hayward ADU Ordinance that complies with state law.

IX. Evaluate Providing Pre-Approved ADU Plans

Summary	
Objective	Decrease the cost and time for developing ADUs by providing pre-approved plans.
Benefits Market Rate Development	Yes. Facilitates the development of ADUs on privately-owned property. Allows rental property owners to add ADUs to both single-family and multi-family properties.
Targeted Projects	Additions of ADUs to existing housing in single family zoned districts.
Household Targeting	Low- and Moderate-Income Households; affordable by design
State Priority for "Pro-housing City"	Use of Right Approval
Regional Housing Needs (RHNA)/ Housing Element Goals	Can be counted as moderate income units to meet RHNA goals.
Level of Recommendation	Recommended <ul style="list-style-type: none"> Recommended by the Homelessness-Housing Taskforce (HHTF)
Proposed Timeline	Mid-term (2-3 years)

Policy Description. Pre-approved ADU plans have the potential to reduce time to issue a building permit. Staff would evaluate the effectiveness, cost associated with providing pre-approved plans to develop ADUs and staff's capacity to take on an additional project.

Policy Analysis. According to Building Permit records, it takes between 2-10 months between building permit application to issuance of permit with an average of six months. The range in timing is related to quality of plans and responsiveness of applicant to comments. Some cities are providing pre-approved plans that can be used by property owners to build ADUs.

Workplan Proposal. Evaluate the possibility of providing community residents pre-approved ADU plans to facilitate the development of ADUs. Staff recommends completed this evaluation within 2 to 3 years.

Recommendation. HHTF recommends evaluating the possibility of providing pre-approved plans to facilitate development of ADUs

FEES AND TRANSPARENCY

TOPICS EVALUATED

OVERVIEW

Impact fees provide cities revenue needed to address the impacts of development on the community. The City of Hayward imposes a Park Dedication In-Lieu Fee, Affordable Housing In-Lieu Fee and will be considering a Transportation Impact fee at a later date. Impact fees help to address community concerns but can also discourage investment if the costs cannot be absorbed by the market. The State of California has identified the high cost of impact fees and an impediment to housing development. Stakeholders have identified changes to the amount of fees can render a project infeasible. However, for residential development, Hayward's existing fees are among the lowest for surrounding jurisdictions. Needless to say, freezing, deferring, reducing, or exempting a project from impact fees can be used to incentivize the inclusion of affordable housing.

X. Reducing Development Impact Fees for Affordable Units (Excluding Utility Fees)

Summary	
Objective	Reduce development costs for affordable housing projects and incentivize inclusion of affordable units in market rate developments by mitigate costs associated with the affordable units.
Benefits Market Rate Development	Yes. Will reduce costs for market rate developments that include on-site affordable housing units.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate (see Appendix A for details)
State Priority for "Pro-housing City"	Reduction of Development Impact Fees
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Highly Recommended
Proposed Timeline	Short-term (1-2 years)

Policy Description. Options for Reducing Development Impact Fees for Affordable Units (Excluding Utility Fees).

1. **Exempt affordable housing units (including on-site inclusionary units) from City development impact fees.** Exempt affordable housing units from development impact fees, including on-site inclusionary units. Maintain existing impact fee policy as part of any future policy to exempt 100% affordable housing projects with an average household income of 60 area median income or less or expand to include all 100% affordable housing projects serving households up to 120% AMI that are sponsored by non-profit developers.

2. **Reduce development impact fees for affordable housing.** Reduce development impact fees for affordable housing units, including on-site inclusionary units (alternative: units that meet certain affordability criteria and requirements, such as very low or low-income units).
3. **Defer development impact fees for all housing.** Maintain existing impact fee policy as part of any future policy to allow development impact fees to be collected at certificate of occupancy instead of building permit.
4. **Establish Loan Program for Development Impact Fees for Affordable Housing.** Create a loan program for development impact fees for affordable housing units secured by a deed of trust released upon full payment of the fees.

Policy Analysis. Staff recommends the following actions to reduce the costs of development impact fees and incentivize affordable and mixed-income housing:

- Exempt 100% affordable housing projects sponsored by non-profit developers serving households up to 120% AMI from Park Dedication In-Lieu Fees.
- Provide a 50% reduction in park fees to for-profit developers for on-site affordable units that are income restricted consistent with the City's Affordable Housing Ordinance.
- Maintain the ability for development impact fees to be paid at certificate of occupancy as provided for in the City's current park development fee ordinance.
- Provide a 50% reduction in any future transportation fees for on-site affordable units that are located within 1/2 mile of BART or a major high-frequency transit line.
- Establish a loan program to defer impact fees for projects that include affordable housing units and that require a City regulatory agreement. Loan servicing would coincide with monitoring required by the regulatory agreement which will minimize the burden on staff and the cost of program administration.

Workplan Proposal. Staff recommends implementing a combination of fee exemption, reduction and deferral as described in the analysis to mitigate the cost of the affordable housing units and incentivize the inclusion of affordable units in market rate developments. Staff recommends implementing fee reductions within 1 to 2 years.

Recommendation. Highly Recommended

XI. Impact Fees and ADUs

Summary	
Objective	Reduce development costs for ADUs to incentivize property owners to add ADUs as an affordable by design housing option.
Benefits Market Rate Development	Yes. Reduces costs related to adding ADUs to a privately-owned property.
Targeted Projects	Additions of ADUs to existing housing in single family zoned districts or multi-family developments.
Household Targeting	Low- and Moderate-Income Households; Affordable by design
State Priority for “Pro-housing City”	Reduction of Development Impact Fees
Regional Housing Needs (RHNA)/ Housing Element Goals	Can be counted as moderate income units to meet RHNA goals.
Level of Recommendation	Highly Recommended Exempt and reduce development impact fees consistent with state law.
Proposed Timeline	Short-term (1-2 years)

Policy Options. Reduce development costs for ADUs to incentivize property owners to add ADUs as an affordable by design housing option. Options for Reducing Development Impact Fees for ADUs (Excluding Utility Fees).

1. **Exempt ADUs from development impact fees.** Exempt ADUs that are 750 sf or less from development impact fees as required by state law.
2. **Reduce development impact fees for ADUs.** Reduce development impact fees for ADUs that are greater than 750 sf proportional to the square footage of the primary dwelling as required by state law.
3. **Defer development impact fees for ADUs.** Defer development impact fees for ADUs.

Policy Analysis. Staff highly recommends reducing development impact fees for ADUs. Potential applicants frequently and continuously express to planners/city staff that this is a major impediment to constructing ADUs in the City. New state legislation has imposed limitations on impact fees for ADUs. Effective January 1, 2020, no Impact Fees or Quimby Act Fees can be charged for ADUs if the unit is less than 750 square feet. For ADUs greater than 750 square feet, the City can only charge an impact fee proportional to the square footage of the primary dwelling. Additionally, the deferral of payment of fees to certificate of occupancy consistent with the existing park development impact fee should be maintained.

Workplan Proposal. Staff recommends implementing fee exemptions and reductions for ADUs consistent with state law. Staff recommends implementing fee exemptions and reductions within 1 to 2 years.

Recommendation. Highly Recommended

XII. Defer Utility Fees for Affordable Housing/ADUs until Service Connection.

Summary	
Objective	Reduce development costs for affordable housing projects and ADUs by deferring utility impact fees until service connection.
Benefits Market Rate Development	Yes. Will reduce costs for property owners who build ADUs or market rate developments that include on-site affordable housing units.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate (see Appendix A for details)
State Priority for "Pro-housing City"	Reduction of Development Impact Fees
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Highly Recommended
Proposed Timeline	Short-term (1-2 years)

Policy Description. Allow deferral of utility impact fees for affordable housing units and ADUs until service connection. Paying fees later reduces the financing costs associated with construction because it reduces interest accrual on loans.

Policy Analysis. Staff highly recommends deferring utility fees for affordable housing projects that provide on-site inclusionary units and ADUs. A workflow and tracking system will need to be established to verify payment.

Workplan Proposal. Staff recommends implementing fee deferral for utility connection fees for affordable housing units and ADUs within 1 to 2 years.

Recommendation. Highly Recommended

XIII. Improve Transparency.

Summary

Objective	Provide more transparency to the development community about development requirements and the cost of fees.
Benefits Market Rate Development	Yes. Will provide developers more upfront certainty.
Targeted Projects	Market rate, Mixed-income and affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate (see Appendix A for details)
State Priority for "Pro-housing City"	Reduction of Development Impact Fees
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	In progress
Proposed Timeline	Short-term (1-2 years)

Policy Description. As required by new state law, provide clear and easily obtainable information on the City's website and in Development Services Department materials to help the development community understand the development requirements and the cost of fee in the City so that they can plan their projects more effectively.

Policy Analysis. While new state law requires improved transparency, local developers indicated that uncertainty during the development process is one of their concerns with the City. Developers have stated that development requirements and/or fees are not clear. Additionally, they have experienced sudden changes or imposition of last-minute requests in development standards which create delays or increase project costs.

Workplan Proposal. Staff is already working on ways to provide clearer information about the cost of fees in the City to the development community, such as fees for sample projects and a possible fee calculator. Staff recommends completing this work within 1 to 2 years.

Recommendation. In Progress

FUNDING

TOPICS EVALUATED

OVERVIEW

Increasing funding for affordable housing will enable the City to subsidize additional affordable housing units. The City has an affordable housing trust fund which is funded through payment of the affordable housing in-lieu fee. Additional funding can come from bond funds, parcel taxes, applying for state funding or partnering with affordable housing developers on their applications for state funding.

XIV. Pilot a New Moderate-Income Affordable Housing Financing Model

Summary	
Objective	Pilot a new Moderate-income affordable housing financing model
Benefits Market Rate Development	No
Targeted Projects	Affordable housing; rental
Household Targeting	moderate-income (see Appendix A for details)
State Priority for "Pro-housing City"	N/A
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at moderate income level
Level of Recommendation	Recommended Recommended that the City partner with Catalyst Housing to utilize tax-exempt bond financing to fund moderate income housing.
Proposed Timeline	Short-term (1-2 years)

Policy Description. Catalyst Housing has developed a financing model to finance deed restricted moderate income housing that would not require any financial contribution from the City. It would require that the City: (1) join the California Community Housing Authority (CALCHA) and partner with Catalyst Housing to utilize tax-exempt 30-year bonds issued by CALCHA; and (2) execute Purchase Option Agreements with CALCHA to give the City the option to purchase or sell the property between years 15-30 of the bonds. The City could assign this purchase option agreement to a non-profit housing corporation to assume the property.

Policy Analysis. Staff recommends this proposal as it would provide capital to finance and create new moderate-income housing rental units within the City. Currently, there are no housing development subsidies for moderate income households. The financing model could be used for new construction or to purchase market rate rental properties and convert them to moderate income properties. Catalyst housing has a zero-displacement policy and would allow over-income tenants to remain in their unit until they choose to leave. There would be no financial liability for the City unless the City exercises its option to purchase the property in the future.

Workplan Proposal. Staff is conducting additional analysis and is targeting Winter 2020 to bring this forward to Council for approval. Development of projects would be contingent on the availability of suitable sites or properties.

Recommendation. Recommended that the City partner with Catalyst Housing to utilize tax-exempt bond financing to fund moderate income housing.

XV. Pursue State Housing Funding Opportunities

Summary	
Objective	Secure additional resources for the development of affordable housing by applying for state grant opportunities
Benefits Market Rate Development	No
Targeted Projects	Affordable housing; rental and ownership
Household Targeting	Very low, low, and moderate-income (see Appendix A for details)
State Priority for "Pro-housing City"	N/A
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, and moderate-income
Level of Recommendation	Recommended Recommended that the City apply for state grant opportunities.
Proposed Timeline	Mid-term (2-3 years)

Policy Description. There are a variety of state grant opportunities that will provide funding for affordable housing development and planning grants intended to increase affordable housing production. Some examples of grants include, Local Housing Trust Fund Program (LHTF) which provides matching grants to local and regional housing trust funds dedicated to the creation, rehabilitation and preservation of affordable housing, transitional housing and emergency shelters; and Infill Infrastructure Grant Program (IIG) which promotes infill housing development by providing financial assistance that supports infrastructure improvements. The City should pursue funding opportunities to increase the supply of affordable housing.

Policy Analysis. Staff recommends that the City supplement existing resources to fund affordable housing development by applying for state grants.

Workplan Proposal. This work will be ongoing as the state issues NOFA. It is anticipated that the NOFA for the LHTF will be issue Spring 2020.

Recommendation. Recommended that the City pursue state grant funding opportunities.

XVI. Allocation of Affordable Housing Trust Funds

Summary	
Objective	Allocate affordable housing trust funds based on Council priorities.
Benefits Market Rate Development	No
Targeted Projects	Affordable housing including rental and ownership; down payment assistance, transitional housing
Household Targeting	Very low, low, and moderate-income (see Appendix A for details)
State Priority for "Pro-housing City"	Local Housing Trust Fund
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Recommended Staff recommends evaluating funding priorities that include various types of housing assistance including affordable rental housing, homeownership resale restricted housing or down payment assistance, and/or shelter opportunities
Proposed Timeline	Mid-term (2-3 years)

Policy Description. Once sufficient funds are available, hold work session to establish funding priorities for Affordable Housing Trust Funds including affordable rental housing, homeownership resale restricted housing or down payment assistance, and/or shelter opportunities. Issue Notice of Funding Availability (NOFA) or establish programs consistent with Council funding priorities.

Policy Analysis. Last fiscal year, the City Council allocated the balance of the Affordable Housing Trust Funds. Once the Affordable Housing Trust Fund is replenished through payment of the affordable housing in-lieu fee, staff recommends evaluating funding priorities of various types of housing assistance including affordable rental housing, homeownership resale restricted housing or down payment assistance, and/or shelter opportunities. Per the Affordable Housing Ordinance, the affordable housing in-lieu fees must be used to increase the supply of housing affordable to moderate-, low, very low, or extremely low-income households in the City through new construction, acquisition of affordability covenants and substantial rehabilitation of existing housing. Use of the funds must mitigate the impact of market rate housing on the need for affordable housing.

Workplan Proposal. It is anticipated that sufficient funds will be available in 1-2 years. Council would hold a work session to establish priorities. In preparation, the HHTF will review homeownership policies and programs in June 2020 to be considered for funding. This work would be completed over 2 to 3-year time period.

Recommendation. Staff recommends evaluating funding priorities that include various types of housing assistance including affordable rental housing, homeownership resale restricted housing or down payment assistance, and/or shelter opportunities to determine allocation of affordable housing trust funds.

XVII. Abate or Defer Property Tax for Market Rate and/or Affordable Housing Projects.

Summary	
Objective	Abate or Defer Property Tax for Market Rate and/or Affordable Housing Projects.
Benefits Market Rate Development	Yes. Reduces cost of the development.
Targeted Projects	Affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate-income (see Appendix A for details)
State Priority for "Pro-housing City"	N/A
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Not Recommended
Proposed Timeline	N/A

Policy Description. Abate or defer property taxes for market rate and/or affordable housing that meet certain density or inclusionary housing criteria and requirements.

Policy Analysis. This proposal is not recommended since it was already considered as a referral by the City Council and direction was given to staff not to pursue it.

Recommendation. Not Recommended.

XVIII. Establish an Impact Fee on Commercial Uses for Affordable Housing

Summary	
Objective	Establish an impact fee on commercial uses to subsidize the development of affordable housing.
Benefits Market Rate Development	No.
Targeted Projects	Affordable housing; rental and ownership housing
Household Targeting	Very low, low, and moderate-income (see Appendix A for details)
State Priority for "Pro-housing City"	Local Housing Trust Fund
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Not Recommended
Proposed Timeline	N/A

Policy Description. Establish a fee that would be collected from commercial uses and placed in the Affordable Housing Trust Fund and used as described in Sections 10-17.1000-1010 (Affordable Housing Trust Fund) of the City's Affordable Housing Ordinance.

Policy Analysis. This proposal is not recommended because it would create a disincentive for commercial uses locate in the City, which the City is actively trying to attract. This policy is better suited for Silicon Valley where there is a high demand for commercial uses.

Recommendation. Not Recommended.

XIX. Pursue Voter-Approved Ballot Measure for a Vacant Parcel Tax for Homelessness and/or Affordable Housing.

Summary	
Objective	Establish additional funding to fund services for people experiencing homelessness and/or development of affordable housing.
Benefits Market Rate Development	No.
Targeted Projects	Housing services and affordable housing; transitional housing and housing with supportive services
Household Targeting	Extremely low-income (see Appendix A for details)
State Priority for "Pro-housing City"	Local Housing Trust Fund
Regional Housing Needs (RHNA)/ Housing Element Goals	If used for housing development will produce units to meet the very low-income goal.
Level of Recommendation	Not Recommended
Proposed Timeline	N/A

Policy Description. Pursue a voter-approved ballot measure, similar to the City of Oakland, to fund services for people experiencing homelessness and/or affordable housing (including rental and homeownership).

Policy Analysis. Pursue a voter-approved ballot measure, similar to the City of Oakland, to fund services for people experiencing homelessness and/or affordable housing (including rental and homeownership).

Recommendation. Not Recommended.

XX. Pursue Voter-Approved Ballot Measure for an Affordable Housing Bond Program

Summary	
Objective	Establish additional funding to subsidize the development of affordable housing.
Benefits Market Rate Development	No.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing
Household Targeting	Very low, low, and moderate income (see Appendix A for details)
State Priority for "Pro-housing City"	Local Housing Trust Fund
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	Not Recommended
Proposed Timeline	N/A

Policy Description. Pursue a voter-approved ballot measure for an affordable housing bond program to build and preserve affordable housing units (including rental and homeownership) citywide. The bond proceeds would help stabilize housing for the city's most vulnerable populations including veterans, seniors, the disabled, low and moderate-income individuals or families, foster youth, victims of abuse, the homeless and individuals suffering from mental health or substance abuse illnesses. Furthermore, the bond would prioritize advancing supportive housing for special needs populations, including homeless and chronically homeless persons and increasing housing supply for extremely low-income populations.

Policy Analysis. Staff recommends supporting a regional housing bond measures instead of a local measure, as the potential benefits of a regional bond would have far greater potential than a local measure. This also allows the City to explore the feasibility of other revenue measures that the City may pursue over the next 2-5 years.

Recommendation. Not Recommended.

PUBLIC LANDS

TOPICS EVALUATED

Overview

City owned land is a resource that can be leveraged to increase the supply of housing. By establishing criteria for the disposition of City-owned property, the City set-priorities for development such as providing housing for low- or moderate-income housing subject to feasibility.

XXI. Prioritize On-Site Affordable Housing for Residential Projects Developed on City-Owned Land

Summary	
Objective	Increase the production of mix-income and affordable housing on City-owned land to address housing affordability and meet RHNA goals
Benefits Market Rate Development	Yes. Creates development opportunities for market rate developers to develop mixed-income housing and sets clear expectations for inclusion of onsite affordable housing.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate income (see Appendix A for details)
State Priority for “Pro-housing City”	N/A
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all income levels: Very low, low, moderate and above moderate
Level of Recommendation	In Progress Recommended that the City continue to leverage City-owned land to create opportunities for mixed-income or affordable housing.
Proposed Timeline	Short-term (1-2 years)

Policy Description. Require that new development of City owned land include on-site affordable units at a level of affordability consistent with the affordable housing ordinance or provide a significant benefit to affordable housing in another form, as appropriate.

Policy Analysis. Currently, the City is in progress of implementing prioritization of on-site affordable housing for residential projects related to the development of City owned land, such as the 238 properties. In negotiating land deals, the City can identify development requirements that provide a public benefit to the extent the requests are feasible based on market conditions and are appropriate based on the General Plan and zoning. During the stakeholder events, developers have indicated that identifying project requirements upfront ensures project feasibility and that the framework the City has been using to identify project requirements for land disposition makes it easier to propose a feasible project that satisfies the City’s priorities.

Workplan Proposal. This plan is already being applied to the disposition of City-owned land.

Recommendation. Recommended that the City continue to leverage City-owned land to create opportunities for mixed-income or affordable housing.

XXII. Convert Underused and Tax Defaulted Properties to Permanent Affordable Housing in Partnership with Nonprofit Affordable Housing Developers

Summary	
Objective	Increase the production of mix-income and affordable housing on City-owned land to address housing affordability and meet RHNA goals
Benefits Market Rate Development	Yes. Creates development opportunities for market rate developers to develop mixed-income housing and sets clear expectations for inclusion of onsite affordable housing.
Targeted Projects	Mixed-income and affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate income (see Appendix A for details)
State Priority for “Pro-housing City”	N/A
Regional Housing Needs (RHNA)/ Housing Element Goals	<ul style="list-style-type: none"> Without amendment to the Housing Element, the units developed would not count toward the RHNA goals. Contributes to fulfilment of Housing Element goals: <ul style="list-style-type: none"> H-2.2 Provide Incentives for Affordable Housing H-3.5 Encourage compatible development of underutilized sites. H-3.6 Supports adaptive reuse.
Level of Recommendation	Highly Recommended Recommended that the City continue to leverage City-owned land to create opportunities for mixed-income or affordable housing.
Proposed Timeline	Short-term (1-2 years)

Policy Description. Enter into a joint venture partnership with a non-profit organization to acquire and convert formerly blighted and tax-defaulted properties into permanently affordable housing (including rental and homeownership) for low-and-moderate income households.

Policy Analysis. Staff highly recommends converting underused and tax defaulted properties to permanent affordable housing in partnership with a nonprofit affordable housing developer and/or community land trust in a way that minimizes administrative and financial impacts to City staff. Currently, unless new units are created, the program would not contribute units to meet the City’s RHNA goals. However, staff would structure this program and update the next housing element to count affordable units developed towards achieving regional housing allocations.

Workplan Proposal. In previous years, there have only been a small number of units available on Alameda County’s tax defaulted property list. While the program will be

beneficial in creating additional affordable housing opportunities, it is being set as a lower priority. Therefore, design and implementation of the program would be within 2-3 years.

Recommendation. Highly recommended that the City establish a program to convert underused and tax defaulted properties to permanent affordable housing in partnership with non-profit housing providers.

XXIII. Create a Zoning Exemption for Affordable Housing on Surplus Land in Residential Zones regardless of Density Maximums.

Summary	
Objective	To increase the number of affordable housing units developed on surplus land in residential zones by exempting the land from maximum density.
Benefits Market Rate Development	No.
Targeted Projects	Affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate income (see Appendix A for details)
State Priority for "Pro-housing City"	Use of Right Approval
Regional Housing Needs (RHNA)/ Housing Element Goals	Could produce units at all income levels: <ul style="list-style-type: none"> • Very low, low, moderate and above moderate
Level of Recommendation	Not Recommended
Proposed Timeline	Mid-term (2-3 years)

Policy Description. Permit 100% affordable housing developments on public land regardless of density maximums in residential and mixed-use zones. This exemption could be structured to exclude projects ineligible for state affordable housing financing program and on industrially zoned land.

Policy Analysis. This proposal may require General Plan Amendment and Zoning Text Amendments to allow densities on publicly owned land if it is not designated/zoned for residential uses. Additionally, new state law will allow increase density for 100 percent affordable housing developments. According to GIS, the City owns 335 parcels that have a Residential or Mixed-Use General Plan or Zoning designation and Successor Agency owns 13 parcels (7.7 acres) that could benefit by this proposal. Given limited staff resources and the limited potential benefits of this item, staff recommends pursuing proposals I (Density Bonus) and III (Upzoning) above instead.

Recommendation. Not Recommended.

STREAMLINING

TOPICS EVALUATED

Overview

Depending on the scope of the development, the approval process can take years to complete. During that time, construction costs, fees and financing costs can increase; and development standards change. This creates uncertainty for developers and increases risk for developers. The objective of streamlining is to accelerate the approval process for residential development.

XXIV. Streamlined Approval for Affordable Housing Projects Meeting Specific Criteria Consistent with SB 35.

Summary	
Objective	Expedite the approval of 100% affordable housing developments as required by state law.
Benefits Market Rate Development	No
Targeted Projects	Affordable housing; rental and ownership housing
Household Targeting	Very low, low, and moderate income (see Appendix A for details)
State Priority for "Pro-housing City"	Reduction of Permit Processing Time
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at variety of income levels: Very low, low, and moderate
Level of Recommendation	In Progress Recommended compliance with state law
Proposed Timeline	Short-term (1-2 years)

Policy Description. Develop an application process for ministerial review related to SB 35 streamlining eligible projects. Staff will identify Hayward's objective zoning and design review standards. This will exclude qualified projects from environmental review under CEQA and reduce the approval process to 90 days from 180 days.

Policy Analysis. Currently, the City is in progress of streamlining approval for affordable housing projects that are in conformance and compliance with SB 35 eligibility criteria. Furthermore, the City has developed a checklist tool for developers to utilize during the permitting process to verify that all necessary documents and obligations are met to expedite the permitting process. Planning has received the first application for streamlined approval for affordable housing and working with other City Departments to comply with the requirements of SB 35. This policy will expedite the approval process for affordable housing a mix-income projects that otherwise meet the criteria.

Workplan Proposal. Continue to work with City Departments to ensure compliance with SB 35 and create a process that will expedite affordable housing developments that meet the criteria for streamlining.

Recommendation. Recommended that the City continue establishing a process to comply with SB 35 to streamline approvals for affordable housing.

XXV. Review Approval Process to Address Inefficiencies with the Goal of Reducing Overall Approval Time.

Summary	
Objective	<ul style="list-style-type: none"> Expedite the approval process by addressing inefficiencies. Comply with new state law
Benefits Market Rate Development	Yes. Will make improvements to address some of the developers concerns about approval times and early identification of required reports.
Targeted Projects	Market Rate, Mixed-income, Affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate-income (see Appendix A for details)
State Priority for "Pro-housing City"	Reduction of Permit Processing Time
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all of income levels: Very low, low, moderate and above moderate
Level of Recommendation	In Progress
Proposed Timeline	Short-term (1-2 years)

Policy Description. Identify internal bottlenecks that delay the development approval process and evaluate ways to address these delays in terms of contracting on-call consultants or specialists, re-deploying staff resources more efficiently, and adding staff, if necessary. Also, identify required studies early in the application process to avoid unnecessary delays, identify the reasons why some required studies do not get identified until subsequent submittals of an application, and establish a process to improve early preparation of lengthy studies.

Policy Analysis. These improvements will be administrative by nature and will not require Council approval. Currently, the City is in progress of evaluating areas of inefficiencies in the development process with the goal of reducing overall approval time. Additionally, there are several proposed policies listed here that are intended to help address some of those inefficiencies related to permit approval time. Developers have referenced in stakeholder meetings that approval times and lack of clear requirements can impact project feasibility. This policy would improve the application process and reduce requests for additional studies late in the application process.

Additionally, SB 330 Streamlining requires that the City publish on its website detailed information required for development application; provide development tools and

resources; and develop system to track new deadlines for housing development applications (and ADUs).

Workplan Proposal. Continue work to address inefficiency and to comply with state law in order to expedite approval time. This work will be completed within 1-2 years.

Recommendation. Recommended that the City continue implementing improvements to the approval process and ensure compliance with state law.

XXVI. Provide "Package of Incentives" for Housing Projects Providing Affordable Housing.

Summary	
Objective	To synthesize policies that promote inclusion of affordable units.
Benefits Market Rate Development	Yes. This policy will provide clarity to developers about requirements, assist them in accessing benefits that mitigate cost of including affordable units in the project, and help them to comply with the Affordable Housing Ordinance.
Targeted Projects	Market Rate, Mixed-income, Affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate-income (see Appendix A for details)
State Priority for "Pro-housing City"	Reduction of Permit Processing Time
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all of income levels: Very low, low, moderate and above moderate
Level of Recommendation	Highly Recommended
Proposed Timeline	Mid-term (2-3 years)

Policy Description. Promote and incentivize new construction of mixed income and affordable housing by compiling a "Package of Incentives" of various incentives. There could be multiple packages that vary depending on the proportion of affordable units and the depth of affordability. The incentives and exemptions could include: an exemption or reduction of development impact fees, utility fee deferral, parking reductions and/or a waiver of physical building requirements imposed on development and identification of low-cost financing options or guidance for investing in an opportunity zone.

Policy Analysis. Staff recommends providing various types of packages contingent on the project meeting various affordability requirements. For example, an affordable housing project consisting of 50% income restricted units would receive lesser incentives than a 100% affordable housing project. After staff receives direction on the other proposals above, staff will design packages of incentives in greater detail. Staff would "package" policies and resources that help developers mitigate the costs with associated with affordable units to make it easier for developers to take advantage of these cost saving measures. If approved, staff would highlight the following: Project requirements for streamlining under SB 35, Density Bonus, Fee exemption and reductions, utility fee deferral, and special financing opportunities. This policy will demonstrate a partnership

mentality that will problem solve by consolidating information that may increase feasibility of on-site affordable units.

Workplan Proposal. Creation of the “package of incentives” is dependent on approval of policies that incentivize inclusion of affordable housing on market rate projects; however, creation of the packages will be an administrative responsibility. This work will be completed within 2-3 years.

Recommendation. Recommended that the City create a “Package of Incentives”.

XXVII. Educational Work Session Regarding Project Feasibility, Residual Land Value and Implication of Demands Beyond Established Requirements

Summary	
Objective	Streamline approval process by reducing the number of last-minute requests imposed by City Council by providing an informational work session to discuss project feasibility, residual land value and implication of demands beyond established requirements.
Benefits Market Rate Development	Yes. Would reduce development timeline and unexpected expenses caused by last minute changes to the project that otherwise meets City Standards.
Targeted Projects	Market Rate, Mixed-income, Affordable housing; rental and ownership housing
Household Targeting	Very low, low, moderate and above moderate-income (see Appendix A for details)
State Priority for “Pro-housing City”	Reduction of Permit Processing Time
Regional Housing Needs (RHNA)/ Housing Element Goals	Will produce units at all of income levels: Very low, low, moderate and above moderate
Level of Recommendation	Highly Recommended
Proposed Timeline	Short-term (1-2 years)

Policy Description. Provide education to City Council about the implications of changes to a proposed project that meets all of the City’s established regulations.

Policy Analysis. Stakeholders have expressed concern that well intended project modifications have unintended consequence of affecting project feasibility. Developers have suggested education regarding providing training regarding development project feasibility, residual land value and the implication of adding additional components to a project that was not initially included the development designs and budget. This policy will create awareness that is intended to improve upfront certainty and expedite the approval process.

Workplan Proposal. Hire a consultant to provide education at an informal work session to ensure that decision makers are aware of the implications of adding additional project requirements. This work would be complete in 1-2 years.

Recommendation. Recommend holding an educational work session regarding development project feasibility, residual land value and the implication of adding additional components to a project that was not initially included the development designs and budget.

APPENDIX A-2019 INCOME LIMITS FOR ALAMEDA COUNTY AS ESTABLISHED BY CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

	Household Size							
Income Category	1	2	3	4	5	6	7	8
Extremely Low	\$26,050	\$29,750	\$33,450	\$37,150	\$40,150	\$43,100	\$46,100	\$49,050
Very low	\$43,400	\$49,600	\$55,800	\$61,950	\$66,950	\$71,900	\$76,850	\$81,800
Low	\$69,000	\$78,850	\$88,700	\$98,550	\$106,450	\$114,350	\$122,250	\$130,100
Median	\$78,200	\$89,350	\$100,550	\$111,700	\$120,650	\$129,550	\$138,500	\$147,450
Moderate	\$93,850	\$107,250	\$120,650	\$134,050	\$144,750	\$155,500	\$166,200	\$176,950

What the City of Hayward Can Do to Encourage More Housing Development? Feedback from Market Rate Developer Interviews

1. **Flexibility:** Promote flexibility within development standards, design guidelines and existing zoning without requiring a Planned Development or rezone that exposes a developer to a referendum. Every site and every adjacency is unique and not everything fits within a strict rulebook, especially due to changing market conditions and the unique conditions of infill sites that confront special challenges.
2. **Existing Regulations.** Honor the existing standards and regulations in the zoning without exacting more during the development process, which creates uncertainty, delays projects and jeopardizes financing.
3. **Definitive Obligations and More Upfront Certainty:** Provide upfront clarity of required or event potential impact fees, mitigation measures, agreements or early conditions of approval to solidify fees, obligations, and timing requirements and lock in regulations and codes at the time a project is deemed complete. Developers want upfront “certainty” about project requirements so that they can plan their costs and financing accordingly.
4. **Realistic Off-site Improvements:** One project cannot and should not be burdened to fix impacts greater than itself just because it’s viewed as having a deep pocket.
5. **Cost Impacts.** The Bay Area is currently experiencing inflationary cost escalation. As a result, the City’s development process should be careful about adding any requirements that add costs to projects, such as expensive roof top decks, significant design elements and exterior articulation, and more parking, which make projects more expensive, and potentially infeasible.
6. **Willing Compromise:** Constant “asks” month after month without some compromise on the cities’ part hinders and delays development. If the city wants development, then both sides will need to be willing to compromise on challenging issues.
7. **Expedite Permit Processing:** Review ways to decrease the time it takes to obtain entitlements – the longer it takes the more uncertainty the project will be built due to changing market, cost, financing and regulatory conditions. Work on a schedule from the very beginning of a process to help set expectations on both sides of the table and then work jointly to meet those timelines.
8. **Development Opportunities:** Clearly identify and market opportunities throughout the city for development.
9. **City Sponsored Zoning and General Plan (GP) Amendments:** If a City pre-zoned or amended the GP to a developable land use that the City supports ahead of the developer, risk is minimized for both the developer and their equity partners.

10. **Fee Freeze or Deferral:** Freezing or deferring fees are a huge help to proformas and project financial feasibility. Can certain fees be delayed until building permit, or ideally, until Certificate of Occupancy of the home itself? As some cities have done with below market rate fees, the city could get paid directly out of escrow. This helps the builder in every respect, especially when considering the fees that the city cannot control such as school impact fees. Additionally, provide flexibility in paying the affordable housing fee and not insisting on on-site affordable housing.
11. **Ground Floor Commercial Requirements.** There is not sufficient demand for retail and commercial uses to require these uses on the ground floor in all projects along Mission Boulevard and other major corridors. Additionally, these requirements increase costs and do not generate value for the project, which undermines the feasibility of a project. Focus on corner developments along Mission Blvd and other corridors for retail/commercial spaces and do not discount the potential for housing along the ground floor to create pedestrian vibrancy along this corridor as well.
12. **Early Grading Permit:** It greatly helps project viability if a developer can shorten the project duration by performing grading or clean-up prior to Improvement Plans and Final Map.
13. **Expeditious Plan Checking:** Anything that can be done to turn around reviews and commitments as quickly as possible helps housing feasibility and production.
14. **Creative Problem Solving:** Encourage a solution-oriented city culture when it comes to new housing development.
15. **Strong Staff Partnership.** Encourage strong staff partnership and authority to help guide, support and facilitate housing projects.
16. **Councilmember Education:** Educate the City Council to the impacts of their comments and the costs associated with them. Some City Councils like to redesign or “fix” a project without context or a true understanding of what Planning and the developer have gone through together for years in the entitlement process.
17. **CEQA:** This is where a developer is most vulnerable due to the unknowns, exposure from potential opposition (neighbors, unions, nimby’s, etc.), and the cost associated with resolution. How can the City help to mitigate this risk? Is it in their response to comments or how they qualify feedback on the CEQA document?
18. **No Union Mandates:** Eliminate pressure for mandatory union labor, as this is a major way to increase costs and render a project infeasible.
19. **Professional Studies and Reports:** Many cities require third-party reports then dismiss them because they disagree with the conclusions. Avoid requiring useless reports that increase costs and delay processing, if their conclusions are not going to be trusted.
20. **City Support:** It makes a difference when Planning Commissioners and City Councilmembers stand up for developers in a public forum. Nothing sends a positive, pro-housing message faster to the development community than a decisionmaker making a

public statement in favor of development in their town. There are countless benefits of development, and sometimes the community could be reminded of those benefits, such as impact fees, road improvements, retail, affordable units, school fees, open space, housing that supports jobs, site clean-up, blight removal due to redevelopment, etc.

21. **Other Miscellaneous Feedback:** Developers also provided other information that is helpful in understanding housing production in Hayward:

- Stacked flat multi-family housing projects are more expensive than other product types and are not currently feasible as a stand-alone product in Hayward right now.
- Prices are going down and costs are staying the same or increasing slightly right now.
- Medium density housing products (18-25 units per acre) are highly feasible right now.
- It is becoming increasingly difficult to balance the needs of the surface area of new development as there are many competing uses, such as buildings, parks, parking, landscaping, stormwater treatment, and utilities.
- As new policy and planning ideas are considered, evaluate and be aware of any unintended consequences of these actions on the production of housing.
- If the City is going to promote alternative modes of transportation through developer funded transportation demand management plans, the streets need to be made safer.
- The quality of Hayward schools is a competitive disadvantage in terms of housing development compared to other nearby cities.

Multi-Family Market Rate Housing Production Incentives Forum November 14, 2019

City Approval Process and Fees

- Control fees and don't try to keep up with other cities that have different market conditions.
- Understand land residual – How do City policies impact financial feasibility?
- Educate City Council on construction costs and density implications on financial feasibility.
- Promote pre-application and CEDC meetings to obtain upfront certainty and clarity on project requirements. Avoid “late hits” from Utilities and Public Works Departments.
- Infill development requires creativity. Need policies that allow for flexibility.
- Staff attitude of “how do we make this project work?”/ Staff is doing a good job.
- Solve union issue – PLAs affect affordability and attainability
- More clarity on inclusionary requirements – fees or on-site? Provide incentive(s) for providing on-site requirement, but don't “punish” developments.
- Better fee transparency. Recommend developing a fee calculator like City of Dublin.
- Staff should be aware of financing rules/structure as it relates to feasibility of development including ADUs and adjust local regulations accordingly.
- Increase density bonus
- Fostering relationships to be sure Hayward is where folks want to invest such as school district and Hayward's image.
- Don't look to new development to solve all City's housing issues.
- Transparent rules and fees that are consistent and don't change during mid-project.
- Merge processes; tentative map and final map.
- Require on-site affordable units – can't fee out (remove option to pay in-lieu fee) with concession to lighten up RRSO
- Sliding scale of flexibility of regulations
- By right approval at certain densities
- Update base zoning districts to reflect current development patterns/needs
- PLAs
- CEQA and challenges related to CEQA
- Length of time to process building permits, especially small projects
- Identify “opportunity zones” and allow for a tax deferment incentive.
- Eliminate 50% of requirements to make project feasible
- Process is extremely costly and very time consuming. For example, park fees are extremely high.
- Impact fees should be exempted for affordable housing projects

- Feels that City Council opposes/not in favor of market-rate multi-family projects.
- Create a “Incentives Package/Checklist” that provides clear criteria for developers to receive development related incentives. This also has the potential to encourage market-rate developers to include affordable units in their project(s).
- Incentives for on-site affordable:
 - Streamline project schedule/timeline
 - Reduce development fees
 - Defer fees up until Certificate of Occupancy
 - Provide menu of items
 - Allow segregation of affordable housing
- Have the ability for developers to transfer their in-lieu fee as credit to an alternative off-site project of their choice.
- Provide clear obligations and streamline development process
- In favor of up zoning single family residential zones (R1) and consider same for commercial and industrial zones. This could potentially offset the issue of the increasing number of people experiencing homelessness.

New Funding Sources

- Do not issue/remove NOFA

Financial and Market Challenges

- Concerns about financing for multi-family housing impacted by rent control measures.
- Lack of labor supply.
- Townhomes most feasible product right now.
- Market-rate development is risky – some projects make no money.
- Ground floor retail is costly and doesn’t have a positive cash return. This can impact feasibility. Retail market is changing and risky. Mission Blvd. is too busy and not safe for pedestrians to walk which makes it not a good location for retail.
- Adaptable ground floor space; facades can be made to look like retail/pedestrian scale space.

Other City Efforts

- Educate public about feasibility issues associated with multi-family housing – not feasible right now due to high costs/lower rents.
- Homeless blight issues impact investment potential – Clean downtown helps attract investment.
- Remove arbitration and mediation component of RRSO and replace with a public hearing process that is not as time consuming (i.e. City of Fremont).
- Better streetscape concept/vision for Mission



ACCELERATING INFILL IN HAYWARD

OPTIONS
TO BOOST
HOUSING

DECEMBER 2019



INTRODUCTION

Hayward has approximately 160,000 residents, strategically located in the heart of the eastern San Francisco Bay Area. The city has convenient transportation access, with two BART stations providing easy access to job centers to the north in Oakland and San Francisco and to the south in Silicon Valley, the Amtrak Capitol Corridor train with access to San Jose and Sacramento, numerous local transit lines, three major freeways, and the Hayward Executive Airport. The city is the second-most diverse in California and home to three separate institutions of higher learning that educate more than 30,000 students.

At the same time, the city features many underused parcels, particularly in its downtown district near BART, around the South Hayward BART station, and along commercial corridors such as Mission Boulevard. The result is unmet demand for new housing and missed opportunities for investment and resulting tax revenue for the city. In addition, the lack of development – particularly housing – means many downtown and commercial districts will fail to meet their promise for exciting, walkable, and activated gathering places that can provide amenities for existing residents and new housing for a growing community.

City officials and business leaders are now seeking to identify promising solutions to boost infill development in Hayward ("infill" refers to building on unused and underutilized lands within existing development patterns, which is critical to accommodating growth and redesigning cities for environmental and social sustainability). In response, the Council of Infill Builders convened builders, public officials, financial leaders, and architects in Hayward in November 2019. The group identified key barriers and recommended solutions to encourage and expedite infill in Hayward. This policy brief summarizes these priority solutions, challenges, and next steps.



VISION FOR HAYWARD 2030 INFILL DEVELOPMENT

Participants at the November convening described a vision for the ideal infill scenario in Hayward by 2030, featuring:

- **An “18-hour” downtown and commercial corridors** with a strong local brand, based on Hayward’s unique history, culture and character, with bustling infill neighborhoods filled with residents and amenities that create activity beyond standard business hours
- **A walkable, urban city** that leverages and preserves its unique character, history and architecture
- **Sufficient housing** for a stable community of residents from “eight- to eighty-years old”
- **Housing density and diversity** to support an equitable, diverse community of residents and families in apartments, co-living homes, and other housing types with strong schools and day care options
- **Ground-floor and public space amenities** such as retail, food and services, including flexible spaces, with street festivals, plazas and parks to draw residents to infill neighborhoods
- **A stable, locally based business community** with job centers for residents
- **Increased personal mobility** through convenient multi-modal options and safe, two-way streets that prioritize BART riders, pedestrians and bikers
- **Optimized parking provision** that efficiently distributes parked vehicles among infill projects to promote BART, pedestrian, bicycle and scooter access

Achieving this vision requires identifying and overcoming the obstacles that make it unlikely to be realized on its own. The following section describes those obstacles and offers solutions for local and industry leaders.



BARRIERS AND SOLUTIONS FOR INFILL DEVELOPMENT IN HAYWARD

Common barriers often prevent developers from building infill projects in key locations, such as downtowns and near major transit. For the November 21, 2019 convening, the Council of Infill Builders surveyed participants in advance and discussed the most common barriers to infill in Hayward. Participants identified the following four priority barriers to infill and offered solutions to overcome each of them, discussed below.

1. **Pilot projects with public partnership** with possible con
1. **High costs and fees** to build infill
2. **Market uncertainty** due to unknown or weak demand for infill
3. **Lack of supporting uses** for infill in public spaces, such as the streets and streetscape
4. **Unusual parcels and challenging land assembly** to support infill

While additional barriers exist, participants agreed that these four represent the most common barriers that render infill difficult to accomplish in Hayward.

To help overcome these barriers, the group recommended **10 near-term, priority solutions**, in no particular order:

1. **Hire a mobility consultant to reconfigure the streets and identify strategic interventions** to boost walkability and transit, bike, and scooter access.
2. Task city economic development staff and outside downtown development experts to **identify priority amenities, including “magic mix” locations for feasible retail**, façade, and other downtown improvements, as well as educate the public on practical options.
3. Enable a **downtown and commercial district “art” fee** to pay for murals and façade improvements.
4. Improve **high-speed wireless internet** access across downtown and commercial corridors.
5. **Educate property owners and developers on parcel size and land assembly options** and facilitate relocation of existing businesses on unusual parcels through data sharing and inventories of downtown and commercial corridor businesses and parcels.
6. **Update and highlight city design guidelines that allow retail flexibility for infill projects**, such as through a retail in-lieu fee, comprehensive plan for amenities in areas without retail, and flexibility across multiple parcels to meet target retail goals.
7. **Highlight and encourage tiered and deferred fees for downtown projects**, including through a city website that maps and highlights fee structures.
8. **Fast-track approvals for infill projects**, including through pre-zoning, planning, and development permit reforms, as well as the option for “blended” density across parcels to meet plan goals.
9. Facilitate a dialogue with labor leaders to **boost construction labor supply and local job training programs and reduce project construction costs**.
10. Focus on **“catalyst projects” on public land** that can further infill goals.

These and other solutions are discussed in more detail in this report.

“It’s important to focus on how to keep costs down so these infill projects can work.”

- Felix AuYeung, MidPen Housing Corporation

Barrier # 1: High costs and fees to build infill in Hayward

Infill development is by its nature more expensive to build than low-rise, wood-frame construction. Multi-story infill construction in existing urbanized areas like Hayward faces a complicated regulatory process, expensive construction materials, and high-wage labor, as well as the challenge of building in developed neighborhoods and the attendant cost of upgrading older infrastructure. Permitting for infill projects can also be complicated, time consuming, and expensive. Other factors such as parking requirements and land use restrictions can contribute to high costs.

Solutions for High Construction Costs: *Provide Regulatory Flexibility and Dialogue with Labor Leaders and Property Owners*

To reduce the high cost of building sustainable infill development, Hayward city leaders could reform local permitting and regulatory requirements to allow more flexibility, while facilitating dialogue with labor leaders and local property owners to reduce costs.

SPECIFIC SOLUTIONS:

City leaders could:

Implement tiered and deferred fees for downtown projects in order to reduce costs. The city leaders could ensure lower fees for projects near the downtown and South Hayward BART stations and other commercial corridors. The city could also promote deferred fees for some infill projects, such as waiting until occupancy occurs to collect certain fees for those new projects. As some participants noted, this flexibility to defer fees until occupancy can greatly improve a project’s internal rate of return, which is in part dependent part on the time value of money. As a result, the city could potentially transform marginal infill projects into viable

deals for developers through deferred fees. City leaders could also relax the thresholds for projects to qualify for these incentives, to enable small businesses and smaller projects to benefit.

Promote and map existing fee incentives for infill projects. The city has already taken steps to defer some fees, but participants at the convening were unaware of some of these actions. As a result, the city may benefit by promoting these incentives prominently on its permitting website. In addition, developers would benefit from having all relevant fees for infill projects mapped and posted in one convenient website, to highlight beneficial fee structures and reduce the time for developers to ascertain these applicable fees.

Fast-track approvals through ministerial permitting for some infill projects. Participants noted that reduced permitting time and fewer opportunities for unexpected local agency vetoes would greatly reduce costs. City leaders could take steps like pre-zoning certain priority parcels for more compact infill development, advance planning of priority parcels, and developing more objective review standards. For example, city staff could update exterior design standards to make permitting ministerial for exterior features like balconies and recessed windows.

Develop an option for “blended” density across multiple parcels, instead of uniform requirements on each downtown parcel. Participants noted that stringent requirements for density on a specific parcel may make a project on that site infeasible, whereas a similar or more stringent density requirement on a nearby parcel may be more practical. As a result, flexibility to allow an “average” density across these multiple parcels could help make a lower-density project economically viable on one site while getting “credit” for increased density on another site. The averages would have to meet the city’s overall density goals, while allowing cross-subsidies through transferable density.

Promote existing regulatory flexibility on housing affordability requirements. Most new residential projects must include subsidized affordable units at below-market rates. The city has taken steps to provide developers with the option of instead subsidizing these affordable housing units off-site, with possible deferral on off-site affordable housing construction until a certain number of on-site market-rate homes come to market. Otherwise, requiring these units on each parcel could be economically challenging for some developers. An area-wide in-lieu affordable housing fee could therefore be a helpful option to

lower building costs for on-site market-rate housing. The city could promote these options via its website, such as the flexibility to build 100% affordable standalone developments, with contributions from nearby developments. The city would need to develop mechanisms to ensure that the affordable units actually get built if they are not included on-site with market rate-projects.

Update city design guidelines to allow retail flexibility for infill projects. Developers and city staff noted that ground-floor retail on some projects may not make economic sense, while nearby parcels may present better options for such uses. As a result, the city could help provide flexibility to meet these requirements. One solution participants discussed is a retail in-lieu fee, in which developers pay a fee not to provide on-site retail, which then generates revenue that the city can spend to boost retail in other locations, such as through streetscape improvements or subsidies for some retail uses. The city could also provide flexibility across multiple parcels to meet a target retail goal, with some parcels absorbing most of the retail and other parcels minimizing or not offering retail, in areas where retail would not be economically practical. Finally, the city could develop a plan for street-level activation and amenities in areas without retail, in order to boost walkability and street life without rigid retail requirements.

“Hayward should be incentivizing existing businesses to stay and expand.”

- Emily Boyd, TRI Pointe Homes

Facilitate a dialogue with labor leaders to boost construction labor supply and training programs and reduce project costs. High labor costs, in part due to an ongoing, state-wide construction labor shortage, is a major contributor to the overall increase in infill project costs. City leaders could facilitate a dialogue between developers and labor leaders to boost local college partnerships and vocational training programs in high school, in order to boost the supply of new workers. In exchange, construction trade groups might be willing to entertain reduced costs for labor on new projects.

“Off-site construction methods usually follow a pretty strict system. A lot of cities have zoning codes and other policies that will not accommodate houses built off-site.”

- Josh Roden, Brookfield Residential

Develop optimal parking policies to encourage market-driven supply that boosts walkability, biking and transit usage. Participants noted that excess parking supply and requirements adds to project costs and can reduce the walkability and transit-friendly nature of downtowns and commercial corridors. For example, the average cost of a parking space in a parking structure ranges from \$15,000 to \$30,000. Costs per unit in San Francisco for podium parking can range from \$17,500 to \$35,000 per unit, depending on the ratio of spaces per unit, and up to \$38,000 for underground parking. Ongoing operation and maintenance of parking structures can also be costly for rental properties. At the same time, some participants noted that lenders are reluctant to finance new projects in Hayward without sufficient on-site parking.

As a result, city leaders can develop parking policies that allow the market to determine supply while providing options to reduce the demand for on-site, decentralized parking that can increase project costs. For example, the city could explore the potential for centralized parking that can convert to other uses in the future if less parking is needed. In general, city leaders could reduce or eliminate minimum parking requirements, unbundle parking from housing (charging the cost of a parking space separately from the cost of renting or purchasing a home), and allow developers to use more shared parking.

Promote density bonus potential with access to data and greater transparency. State density bonus law allows developers to increase the density of their project in exchange for adding more affordable housing units. Participants noted that city leaders could improve the use of this program by making data related to density limits and affordable housing units more accessible and transparent.

Barrier # 2: Market uncertainty due to unknown or weak demand for infill

Given the high construction costs of multi-story infill projects, these projects must be able to attract buyers or renters from specific market segments that can pay higher rents per square foot, including young professionals, seniors, and singles who are willing to live in smaller spaces, as well as higher-income individuals, couples and families. Participants noted that Hayward's downtown, BART districts, and commercial corridors will need strong branding and local amenities, as well as buy-in from city officials, industry leaders, and the public for a long-term plan to boost demand for infill living and related activities.

Solutions for Market Uncertainty for Infill: *Improve Hayward's Branding and Amenities & Undertake Comprehensive Outreach Campaign*

To address the market uncertainty, Hayward leaders could seek to brand downtown and its commercial corridors based on its history, culture and geography as a place where people want to live and work. City and business leaders could also launch an outreach campaign to educate the public and receive input on the opportunities and economic realities of a vibrant infill area.

SPECIFIC SOLUTIONS:

City and business leaders could:

Leverage marketing expertise to create an alluring brand for Hayward, based on local history, culture, and geography. Participants noted that Hayward will need to have a 'there there' to attract residents and investment, potentially based on proximity to job centers in Oakland and Silicon Valley but also drawing on the cultural history and diversity of the community and/or local food traditions. The brand should be linked to clear policy to develop downtown and commercial corridors as infill communities and to target marketing to key demographics. City leaders could involve business associations in this process and improve lighting and other visible security measures to address any concerns about personal security in these areas.

“Hayward has a downtown that feels like a downtown. Like Napa, the city could take a few key steps to just tweak it and get a lot of benefit.”

- Aaron Roden, Landsea Homes

“You have to have a “there there.” Napa has a ‘there.’ They have benefitted from their commitment to food and wine. Housing is necessary, but you have to have a reason to come there.”

- Curt Johansen, TerraVerde Ventures

Improve high-speed wireless internet access across downtown and key commercial corridors. Participants noted that wi-fi internet access was unreliable in infill areas, leading to lost investment and commercial activity in these areas. They suggested working with private sector entities to provide low-cost or free internet access, by leveraging existing network providers.

Educate property owners, wealth managers, and the school district on Hayward’s infill potential. Redevelopment and investment in infill will require the cooperation of current property owners, as well as wealth managers who could facilitate investment in these properties. School district officials could also assist by engaging students in outreach and research projects for infill planning (see below), as well providing training for a labor workforce, as discussed above. City and business leaders could launch this outreach work through working lunches, roundtables, and briefings.

“Local businesses have an important impact. They make downtown more viable as a place to want to be.”

- James Edison, Willdan Financial Services

Educate city officials and stakeholders and involve local students on market realities for investing in infill. Participants suggested engaging high school students through stakeholder and student engagement programs like “UrbanPlan.” City and business leaders could also offer public trainings, including for city officials, on developer pro formas (a set of calculations that projects the financial return on a proposed real estate development) so that city leaders and residents can better understand economic realities for desired infill projects.

Task city economic development staff and outside downtown development experts to identify priority street-level amenities. City priorities include making downtown and commercial corridors more of a destination with attractive amenities, including street-level, ground-floor retail. A downtown development expert could assist the city to determine the “magic mix” of ideal locations for feasible retail, façade, and other infill improvements. Such an expert, in partnership with city economic development staff, could help educate city officials and the public on practical options. The end result could be a menu of options for amenities that would be attractive to residents in infill public spaces and that would reduce pressure on individual projects to provide less optimal amenities.

Educate city officials and the public on best practices and market realities for retail and other streetscape amenities. While many residents and local leaders may want abundant retail options for ground-level infill development, market realities may conflict. An outreach campaign, through working lunches, presentations, and roundtables, could help explore and educate options to activate the streetscape in Hayward beyond retail, such as through events, public spaces, and other uses like flexible work spaces and services.

“Neighborhoods in San Francisco are losing character. And with new construction, the street-level retail tends to be chains because they are the only ones that can afford the high rents.”

- Bob McLaughlin, New Albion Group

“What will retail be in 30 years? Today it is dining, food, and personal services. But which way is retail going? It is a collection of services. You want the right mix of amenities at the right time.”

- Steve Lawton, Main Street Property Services



Barrier # 3: Lack of supporting uses for infill in public spaces, such as the streets and public parcels

Hayward's public realm – such as the city streets, parks and publicly owned parcels – could be leveraged to attract more investment in infill. Current one-way streets and street designs are not conducive to pedestrian-friendly neighborhoods, while downtown and commercial corridor beautification, such as through murals and façade improvements, need a dedicated revenue stream. Such improvements in the public realm will encourage private sector investment in projects that meet the vision of infill in Hayward.

“Like downtown Walnut Creek, Hayward could choke some streets and add parklets. The city has a cool eclectic feeling and should keep it. It already has personality and character.”

- Brian Steele, Trumark

“You want a city to have a family feel. You have to focus on leveraging what you already have in Hayward.”

- Meea Kang, Related Development

Solutions for a Lack of Supportive Public Realm for Infill: *Redesign City Streets and Streetscapes and Beautify Infill Areas*

City and business leaders will need to reconfigure Hayward's street design and accompanying uses, as well as boost beautification efforts throughout downtown, the BART districts, and the commercial corridors. Pilot projects and more outreach to key stakeholders and local leaders can also help implement these solutions.

SPECIFIC SOLUTIONS:

City leaders could:

Hire a mobility consultant to reconfigure the streets and identify strategic interventions to boost walkability and bike, scooter and transit access. Hayward's proximity to BART and other transit lines is a critical asset, but the city still needs to facilitate "first/last mile" connections to these transit nodes. Participants recommended hiring an expert consultant to explore initial strategic interventions, at least as a start of a long-term plan. The focus should be on redesigning select streets for two-way and slower automobile traffic in order to boost walkability and related development. Participants thought it would be helpful to identify small steps that the city can take in the near term while it undertakes plans for longer-term improvements.

Apply for funding to state and county transportation agencies for strategic interventions in street design that can lead to a longer-term change. Participants noted that funding may be available from the Alameda County Transportation Commission and California Strategic Growth Council to reconfigure streets for reduced vehicle miles traveled and more pedestrian and transit access. These improvements could also lead to enhanced lighting, increased public safety, and stormwater controls, among other environmental benefits that may help attract grant funding.

"The proximity of the BART stations is one of Hayward's biggest attributes. A lot of millennials never want to own a car. The city should use the BART stations as a reason for why people would want to live here. They can go to San Francisco during the week and then hang out in Hayward on the weekends."

- Galen Wilson, Goldman Sachs

Conduct outreach to the public on proposed changes for the public realm, including street design. Such decisions on traffic and walkability can be controversial. City staff and business leaders will need to build support for such interventions, possibly by starting with initial pilot interventions that require less review and affect a smaller area. They could also begin with more popular tasks that have broad public support, such

as street cleaning and public safety improvements through better and more creative lighting.

Enable a downtown and commercial corridor district “art” fee to pay for murals and façade improvements. Participants noted that developers would be willing to pay such a fee if it paid for improvements in the public realm that would boost the profitability of their projects. The business improvement district could take the lead to implement this fee.

Barrier # 4: Unusual parcels and challenging land assembly inhibit infill development

Participants observed that Hayward has unusually shaped parcels that may pose a challenge to building larger infill projects that the community may want. In addition, existing property owners and businesses located in the middle of parcels that could otherwise be assembled for a larger project may hinder development opportunities in strategic areas.

“If you combine and redevelop too many unusual parcels, you may destroy the character of the downtown.”

- William Duncanson, BAR Architects

Solutions for Land Assembly and Unusual Parcels: *Facilitate Land Assembly and New Projects through Outreach and “Catalyst” Projects*

City leaders can address these parcel-size and land-assembly barriers through outreach and data sharing, as well as facilitating relationships among property owners and developers. In addition, the city staff can focus on “catalyst” projects on publicly owned parcels as a way to jumpstart activity in priority areas.

SPECIFIC SOLUTIONS:

City leaders could:

Educate property owners and developers on parcel size and land assembly options. City staff could help property owners assess opportunities for redevelopment. Staff could also facilitate re-use of certain land by helping current owners and businesses to relocate in order to redevelop a larger site with an unusual parcel configuration. City staff could accomplish this outreach and match-making through data-sharing and inventories of infill business and parcels.

“Alleys present often overlooked opportunities as places to activate with restaurants and other amenities.”

- Keith McCoy, Urban Mix Development

Facilitate dialogue among developers to partner on priority infill sites. Hayward’s goals for mixed-use infill projects may clash with the existing economics and business siloes of real estate development. For example, some developers only focus on housing, while others focus only on mixed-use or commercial projects at large scales. As a result, city leaders could help play “match-maker” among developers to facilitate partnerships on single or multiple parcels, in order to meet multiple goals of boosting housing, retail, and office projects.

Focus on “catalyst projects” on public land that can further infill goals for the city. City leaders could launch and support pilot infill projects on publicly owned parcels that meet certain criteria with expedited processing and other incentives. City leaders could also apply for state grants to jump-start the development of these catalyst projects. The goal would be to demonstrate the viability of infill projects in Hayward and stimulate revitalization of its priority, transit-rich neighborhoods.



CONCLUSION & NEXT STEPS: THE FUTURE OF INFILL IN HAYWARD

Hayward retains significant opportunity to create thriving, walkable, transit-friendly neighborhoods in its downtown district, South Hayward BART area, and commercial corridors. Its city staff has made progress to cultivate the potential, with over 3,700 units currently in the development pipeline. The city also recently approved a specific plan around its BART station. In addition, the city has approximately 200 acres of public land, for which it will soon seek proposals. To make the most of these opportunities and address the need for more infill housing and amenities, city and other local leaders could act together to implement some of the solutions identified in this policy brief. The result will be a more convenient, thriving, and environmentally and economically sustainable Hayward for existing and future residents.

“The City has adopted a culture of being innovative and creative. We want to promote housing.”

- Jennifer Ott, City of Hayward

CONVENING ATTENDEES

Participants:

Felix AuYeung, MidPen Housing Corporation
 Emily Boyd, TRI Pointe Homes
 William Duncanson, BAR Architects
 James Edison, Willdan Financial Services
 Curt Johansen, Terra Verde
 Meea Kang, Related Group
 Steve Lawton, Main Street Property Services
 Keith McCoy, Urban Mix Development
 Bob McLaughlin, New Albion Group
 Aaron Roden, Landsea Homes
 Josh Roden, Brookfield Residential
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ABOUT THE COUNCIL OF INFILL BUILDERS

The of Infill Builders is a 501(c)(3) nonprofit corporation of real estate Council professionals committed to improving California through infill development. Infill development revitalizes neighborhoods and communities, provides transportation choices, creates viable close-knit mixed-use areas, reduces greenhouse gas emissions and improves the overall economy. The Builders seek to educate the public about these benefits through research and outreach.

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This report and its recommendations are solely a product of the Council of Infill Builders and do not necessarily reflect the views of all individual convening participants, reviewers, or observers.

ENDNOTES

- 1 “Development Pipeline,” City of Hayward, Fall 2019, p. 1. Available at: <https://www.hayward-ca.gov/sites/default/files/documents/development-pipeline-fall-2019.pdf> (accessed November 24, 2019).
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- 5 Donald Shoup, “Cutting the Cost of Parking Requirements,” *ACCESS Magazine*, Issue 48, Spring 2016. Available at: <http://www.accessmagazine.org/spring-2016/cutting-the-cost-of-parking-requirements/> (accessed November 26, 2019).
- 6 Greenbelt Alliance, *supra*, at 24.
- 7 Council of Infill Builders, *supra*, at 8.
- 8 For more information on UrbanPlan, please visit: <https://americas.uli.org/programs/urbanplan/> (accessed November 25, 2019).



For more information:

Council of Infill Builders
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Sacramento, CA 95811

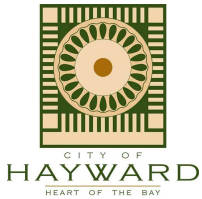
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Proposed Policies to Incentivize Housing Production for City of Hayward			
#	Topic	Policy Summary	Comments Received
Zoning/Housing Approvals			
1	Zoning/Housing Approvals	Adopt zoning text amendment to allow faith-based temporary shelters by right.	No - 3 votes
2	Zoning/Housing Approvals	Provide density bonus in excess of 35% (State law density bonus limit) for affordable housing.	Yes - 7 votes
3	Zoning/Housing Approvals	Expand single family residence land use categories to allow up to four units.	Yes - 11 votes
4	Zoning/Housing Approvals	Amend parking ordinance with elimination or modification to parking requirements.	Yes - 5 votes
5	Zoning/Housing Approvals	Allow emergency shelter sites in more areas within the City.	No - 2 votes
Accessory Dwelling Units (ADUs)			
6	ADUs	Reduce time to issue ADU permit.	Yes - 5 votes Reduce fees.
7	ADUs	Modify owner occupancy requirements for ADUs to allow property owner to reside in either primary residence or ADU. Alternately, allow property owner to rent primary dwelling and ADU separately or sublet individually while property owner resides elsewhere.	Yes - 5 votes No - 1 vote Oppose unless amended to exe3mpt from RRSO.
8	ADUs	Amend replacement parking requirements for ADUs.	Yes - 2 vote No - 2 votes
9	ADUs	Permit ADUs to be sold separately from primary residence if property developed by nonprofit corporation and deed restriction on property to preserve for affordable housing.	Yes - 1 vote No - 2 votes Exempt ADUs from RRSO.
10	ADUs	Permit two ADUs per primary residence lot in city-wide single-family zones.	Yes - 3 votes No - 2 votes
11	ADUs	Eliminate parking requirements for ADUs.	Perfer #3 Yes - 3 votes No - 1 vote
Fees/Transparency			
12	Fees/Transparency	Exempt affordable housing units (including on-site inclusionary units) from City development impact fees (excluding utility fees). Alternately, reduce or defer impact fees for affordable units.	Yes - 13 votes
13	Fees/Transparency	Reduce development impact fees for ADUs. Alternately, defer development impact fees for ADUs until occupancy permit.	Yes - 10 votes
14	Fees/Transparency	Defer utility fees for affordable housing/ADUs until service connection.	Yes - 7 votes Reduce fees if you pay them up front.
Funding			
15	Funding	Pursue voter-approved ballot measure for an affordable housing bond to fund affordable housing.	Yes - 8 votes No - 1 vote Make sure bond specifically calls out separate funding for ownership. With money for homeownership.
N/A	Funding	Pursue voter-approved ballot measure for a vacant parcel tax to fund homelessness and/or affordable housing.	Yes - 1 vote No - 9 votes
16	Funding	Establish an in-lieu fee on commercial uses for affordable housing.	Yes - 1 vote No - 7 votes
17	Funding	Abate or defer property tax for market rate and/or affordable housing projects that meet certain density or affordability requirements.	Yes - 5 votes No - 3 votes Nonprofit affordable developers are already exempt from AC property taxes (welfare exemption).
Public Lands			
18	Public Lands	Prioritize on-site affordable housing for residential projects related to the development of City owned land.	Yes - 5 votes For City RFPs that are slated for single family development, allow for ADUs to satisfy the affordable requirement in its entirety.
19	Public Lands	Convert underused and tax defaulted properties to permanent affordable housing in partnership with nonprofit affordable housing developer.	Yes - 2 votes No - 3 votes
20	Public Lands	Create a zoning exemption for affordable housing on surplus land in residential zones regardless of density maximums.	Yes - 4 votes
Streamlining			
21	Streamlining	Streamlining approval for affordable housing projects meeting specific criteria consistent with SB 35 (i.e., excluding qualified projects from environmental review).	Yes - 5 votes Also provide application process for AB 2162 (supportive housing). Remove prevailing wage requirements.
22	Streamlining	Review approval process to address inefficiencies with the goal of reducing overall approval time.	Yes - 7 votes Designated staff person. Can use SB2 technical assistance money. Can you use funding through SB2 (technical assistance grants) to accomplish this?
23	Streamlining	Provide "Package of Incentives" (i.e., reduction of development impact fees, parking reductions, and/or physical building concessions) for affordable housing projects and on-site inclusionary units that would vary by the number of affordable units and depth of affordability.	Yes - 15 votes No - 1 vote This would be more beneficially advantages than just reducing/waiving impact fees, but neither would be helpful! For all residential development.

General Comments		
1	Recommends to publish simple fee schedule for residential development.	General fee transparency - publish a very simple impact fee document that breaks out applicable fees for multi-family/town and single family so developers quickly understanding (and land owners) what the total city fees will be.
2	Recommends to eliminate repetitive incentives and to cross reference proposed strategies.	Not missing anything but it would be good if certain incentives weren't unnecessarily doubled up through various mechanisms. For example, parking reductions can be achieved through a density bonus, so its less attractive to include that in a new "package of incentives". The package should include other things not found elsewhere, such as streamlining, funding, fee exemption, etc.
3	Recommends roundtable discussion amongst industry experts.	Convene roundtable discussion between affordable, market rate residential developers and other stakeholders to learn more about what incentives they need and obstacles they have to manage.
RRSO		
4	Concerned about RRSO's effect on future multi-family market rate development.	What effects will the RRSO have on any future market rate multi-family development?
Multi-Family Market Rate Developments		
5	Recommends proposing/establishing more policies related to multi-family market rate development.	Why so little mention of market rate development (only mentioned once under funding section, items 4 on staff handout)?
6	Concerned about City's support for multi-family market rate development.	Is Hayward actively/passively discouraging market rate multi-family housing development?
7	Recommends increasing supply of market rate rental housing.	Please focus on increasing the supply of market rate rental housing.
8	Recommends that every residential development should include a mix of unit types (i.e., 50, 80, and 120 of FMR).	Any new development needs to be a mix of type of housing - every building needs affordable, moderate, and market rate units. 50/80/120 of FMR.
9	Recommends conducting sea level rise study for Hayward coast to determine potential environmental, housing, and development impacts.	Review impact of sea level rise on coastline in Hayward. How this may impact housing, flood insurance, and future development.
10	Recommends establishing City program to provide tenants temporary bail-out funds.	Given that JCE dis-incentivizes development, establish a city program that will help tenants with temporary bail-out funds that will help keep them housed.
11	Recommends consideration of infilling the bay.	Consider infilling the bay. Reference the Venus Project.
Zoning/Housing Approvals		
12	Recommends reviewing existing land uses to verify compatibility with surrounding land uses.	Review existing zoning in RS districts to see if it complies with surrounding area zoning. Some areas low density areas and neighbor high density - more consistency.
13	Recommends establishing a density bonus for affordable developments.	Consider a density bonus for "affordable" developments (AB 1763).
14	Recommends amending parking requirements for affordable housing developments.	Amend parking requirements for affordable housing developments - parking spaces/lifts are often cost prohibitive.
ADUs		
15	Concerned about effects of RRSO on ADUs.	What is the effect of the RRSO on ADUs?
16	Recommends exempting ADUs from RRSO.	Exempt ADUs from RRSO.
17	Recommends incentivizing ADUs serving low and moderate income households.	Incent creation of ADUs for low/moderate income households.
18	Recommends placing rent control for ADUs.	Rent control - ADUs.
Fees/Transparency		
19	Recommends providing incentives for BMR rental property owners.	How about incentivizing housing producers to keep rents low by providing a tax or fee credit for units rented below FMR for a year.
20	Recommends providing development incentives for affordable housing projects.	Help reduce affordable housing costs by reducing impact fees, development fees, utility fees, planning fees.
Funding		
21	Recommends establishing jobs-housing linkage fee.	Jobs and housing linkage fee.
22	Recommends City to provide funding for affordable housing.	There are only 2 items that involve city funds (#17 & 21). I would like the City to step up more to solve the problems.
23	Recommends researching impact of RRSO on fiscal feasibility of developing and maintaining properties.	Research impact of RRSO on the fiscal feasibility of developing and maintaining rental properties.
24	Recommends eligibility for increase in density for commercial mixed use sites.	Consider density bonus on commercial mixed use sites where community development identifies affordable housing.
25	Recommends expending A1 money and housing trust funds.	Spend A1 money and housing trust funds.
26	Recommends NOFA timeline to correspond with HCD funding deadlines.	Line NOFAs up with State HCD funding deadlines.
27	Recommends abatement of property tax for affordable housing developments.	Abate property tax just for affordable housing.
28	Recommends to charge market rate developments development fees.	Get in-lieu fees, impact fees, etc. from market rate development.
Public Lands		

29	Recommends providing a discount in cost of city owned land for projects exceeding the City's inclusionary housing ordinance requirements.	Discount city owned land for projects that exceed the City's inclusionary housing ordinance at a meaningful threshold - 25% (?)
30	Recommends City to work with community groups when acquiring a site to provide opportunity for community needs to be addressed.	Work with community groups to determine priorities regarding a site could be an opportunity to address community needs and affordable housing.
31	Recommends to conduct site feasibility studies.	Analyze properties to figure out whether or not housing or commercial makes sense.
32	Recommends establishing a diverse range of residential type structures to be allowed.	Increase diversity; tiny homes; rv parking (perm.); floating homes.
Streamlining		
33	Recommends establishing a voluntary SB 35 process.	Create a "voluntary" SB 35 process where a developer can opt-in to the protection of SB 35 but you can negotiate key elements of the project (i.e. They might use SB 35, but you and they a better deal if you negotiate.)
34	Recommends prioritizing affordable housing projects so that developers can meet funding deadline dates.	Streamline affordable housing projects in general you do not have to use SB35, but expedite approvals so developers can apply for financing with the City, County, and State, TCAC deadlines.
35	Recommends establishing an affordable housing density bonus application with development incentives.	Have an affordable housing density bonus application with paring reductions, waivers concessions for building standards. The developer can decided to use SB 35 as well to save on time.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: WS 20-005

DATE: February 13, 2020

TO: Planning Commission

FROM: Planning Manager

SUBJECT

Mission Boulevard Code Regulations Update Work Session

RECOMMENDATION

That the Commission provides feedback and direction on the Draft Mission Boulevard Code regulations that include proposed zoning map and text amendments.

SUMMARY

This is a work session to obtain feedback from the Planning Commission on the draft Mission Boulevard Code, which replaces the City's two existing form-based codes: Mission Boulevard Corridor; and South Hayward BART/Mission Boulevard, requiring a zoning map and text amendments. The intent of the Form-Based Codes update is to supersede (either entirely or in part) the present codes and other local land development regulations that apply to these areas and reflect consistent quality with the Downtown Specific Plan and Hayward 2040 General Plan. The two FBCs have been combined and would now be called the Mission Boulevard Code, with the objective to create a clear and consistent regulatory framework that is understandable and intuitive for residents, developers, and City staff.

The updated Code will continue to regulate development to ensure high-quality public spaces defined by a variety of building types and uses including housing, retail, and office space. The updated Code proposes to modify the regulating plan, building form standards, street standards (plan and section), land use regulations, and other elements needed to implement the principles of urbanism, planning, and practical growth management consistent with the community vision established in the *Hayward 2040 General Plan*.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Draft Mission Boulevard Code
Attachment III	Zoning Maps, Existing and Proposed

File #: WS 20-005



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The updated Code will continue to regulate development to ensure high-quality public spaces defined by a variety of building types and uses including housing, retail, and office space. The updated Code proposes to modify the regulating plan, building form standards, street standards (plan and section), land use regulations, and other elements needed to implement the principles of urbanism, planning, and practical growth management consistent with the community vision established in the *Hayward 2040 General Plan*.

BACKGROUND

In September 2011, the City Council adopted the South Hayward BART/Mission Boulevard Form Based Code and certified the Environmental Impact Report and related Mitigation and Monitoring Reporting Program for a total area of approximately 240 acres from Harder Road to Garin Avenue on parcels to the east and west of Mission Boulevard.

In October 2013, the City Council adopted the Mission Boulevard Corridor Specific Plan and Form-Based Code and certified the Environmental Impact Report with Mitigation Monitoring

¹ Mission Boulevard Corridor Form-Based Code:
https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART25HAMIBOCOFSECO

² South Hayward BART/Mission Boulevard Form-Based Code:
https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART24SOHABAMIBOFSECO

and Reporting Program for a total area of approximately 240 acres from areas east and west along Mission Boulevard in two separate segments. The northern segment spans along Mission Boulevard from the northern City boundary south to A Street, and the southern segment extends along Mission Boulevard from Jackson Street south to Harder Road. A map of the existing and proposed Form Based Code planning areas is included as Attachment III.

Since adoption of the FBCs, there have been few revisions or modifications to the Codes and like any zoning ordinance, specific plan, or general plan, regular updates and/or amendments are required to reflect new policies, development standards, and land uses. As part of the approved FY2018 budget, the Development Services Department-Planning Division established a goal of revising and updating the City's two form-based codes and earmarked funds to initiate this project. The project requires a thorough review of each Code to remove inconsistencies, update policies and land uses, and streamline the development review process in an effort to make the Codes easier to understand and administer.

On April 9, 2018, the City issued a Request for Proposals (RFP) to update the Codes and on May 22, 2018, the City Council adopted Resolution No. 18-085, which allowed the City to enter into an agreement with Lisa Wise Consulting, Inc. (LWC) for an update to the Codes. Since May 2018, LWC has been meeting with City staff, conducting public outreach, and evaluating the existing FBCs to identify issues related to Code administration and implementation.

Stakeholder Interviews: On December 10-11, 2018, LWC conducted numerous stakeholder interviews with staff representing public agencies, transit providers, neighborhood associations, community stakeholders, developers, design professionals, and city departments. Similar opinions emerged among interviewees regarding issues with the current form-based codes. While the interviewees differed on the exact recommended changes, there was clear agreement that the Codes need to be reorganized and simplified to make them easier to use and understand. The following is a summary of common themes from the interviews:

1. **Complexity.** The Codes are too complex and hard to interpret, and the document format and layout is difficult to navigate.
2. **Development Standards.** The Codes should focus development standards on key elements of building form. The two FBC are overly prescriptive in some instances, such as roof pitch and building articulation, and offer too many options in other instances.
3. **Parking Supply.** A balance should be struck between providing parking to ensure accessibility and limiting parking to encourage/support transit use, including the development of walkable mixed-use areas. Parking management and enforcement could help alleviate parking problems in the project area and adjacent neighborhoods.
4. **Ground Floor Uses.** The Codes should ensure activity at the ground floor along street frontages. However, restricting the ground floor area to "retail" uses is onerous and likely not viable. Active ground floor uses could include a variety of restaurant, entertainment, and service uses, and in some areas residential and community uses, all of which contribute to a 24-hour street presence and 'eyes on the street'.

5. **Thoroughfares.** Connectivity is important but the thoroughfare standards in the FBCs are overly prescriptive, do not reflect Complete Street best practices and other City standards for the design of accessways/pathways and in some cases, render new development infeasible.
6. **Flexibility.** The Codes should incorporate flexibility to address irregular lot sizes, unique site conditions, or specific issues while still ensuring the intent of the regulation is satisfied. This process can replace warrants/exceptions, which often has a negative connotation, with a new streamlined and simplified process that encourages creativity in design.

City Council Work Session: On January 22, 2019³, the City Council held a work session on the updates to the Form Based Codes and provided feedback to staff on the topics highlighted from the Stakeholder interviews in December. The Council noted that many of the original goals that were identified when the FBCs were adopted are not currently being achieved and as such, the FBCs may no longer be an appropriate land use framework to guide development. The Council expressed concerns with the complexity of the existing Code, the inconsistent development pattern of new projects along the Corridor, and the number of PD Rezones approved since the FBCs were adopted are evidence that the Codes are not achieving the goals and objectives originally envisioned. The Council also confirmed that all the issues raised by the stakeholders are valid and should be addressed as part of the Code update.

Planning Commission Work Session: On February 28, 2019⁴, the Planning Commission held a work session on the updates to the Form Based Codes and provided feedback to staff on the topics highlighted from the Stakeholder interviews as well as feedback on Council recommendations. The Commission recommended additional flexibility with types of land use that are allowed in order to address numerous vacant commercial spaces along the Corridor. The Commission recommended the updated Code reflect a more multi-modal and pedestrian friendly environment where size and scale of buildings, landscaping treatments, and impacts of circulation and parking are evaluated. The Commission also supported efforts to streamline the planning review and entitlement process to encourage additional development activity.

In response to the City Council and Planning Commission feedback, Lisa Wise Consulting and City staff concentrated the work effort on creating a more user-friendly Code that offers additional flexibility, reflects more robust sustainable, environmental and economic development priorities, and creates a regulatory framework consistent with the recently adopted Industrial District guidelines and Downtown Specific Plan.

DISCUSSION

The two existing Form-Based Codes were designed to be used as a set of guidelines for property owners and the development community to understand the vision that the community has established for development along the Mission Boulevard corridor and near

³ City Council Work Session:

<https://hayward.legistar.com/MeetingDetail.aspx?ID=662924&GUID=EB9653B8-EF30-44E3-B842-E5CA6160DD0A&Options=info&Search=>

⁴ Planning Commission Work Session:

<https://hayward.legistar.com/MeetingDetail.aspx?ID=655760&GUID=3B47D0F0-48B2-4B80-AC1E-3B9303D0F70C&Options=info&Search=>

the South Hayward BART Station. The Codes were to provide a framework and a systematic checklist for the City as it plans its investments in capital projects and evaluates the design of new building projects. The Codes are intended to improve the quality of design proposals that the City receives and the value of the City's cumulative investments in the public realm.

Although both FBCs established a framework for new development along the Corridor, the downturn in the local and national economy between 2008-2012 limited the number of new development applications along the Corridor. Over the past several years, the amount of development activity has increased, and the Planning Division has experienced a rise in the number of new, large-scale planning applications within the Code Area and, in the process, determined that inconsistencies within and between the adopted Codes and the City's Zoning Ordinance have resulted in significant warrants and exceptions granted for projects and inconsistent development patterns along the Corridor.

The Mission Boulevard Corridor Code (Attachment II) proposes to supersede and replace Article 24 and Article 25 of the Hayward Municipal Code and includes several improvements, as described below:

General Reorganization. Article 24 and Article 25 were combined into a single code, the Mission Boulevard Code (MB Code). The MB Code has been comprehensively reorganized to be more user friendly, easy to locate information, and follow the same outline, structure, and page layout as the recently adopted Downtown Code (adopted April 2019). As part of this reorganization, the zones were renamed to align with naming convention in the recently adopted Downtown Code, reflect the character and context of the zones, and to eliminate duplicate zones. The changes, noted below, are shown on the attached maps and reflected in the Regulating Plan in the Mission Boulevard Corridor Code.

Zones T-4 and T-4.1 → Mission Boulevard Corridor Neighborhood (MB-CN) Zone
 Zone T-4.2 → Mission Boulevard Neighborhood Node (MB- NN) Zone
 Zone T-5 → Mission Boulevard Corridor Center (MB-CC) Zone

Planned Development Districts (PD) adopted since the adoption of the FBCs have been added to the Regulating Plan and properties formerly zoned T-3 were converted back to original RS Single Family Residential zoning (regulated in the Hayward Municipal Code), as these are established single family neighborhoods.

Refined Development Standards and Regulating Plan. The MB Code incorporates improvements and refinements to development standard and the regulating plan to improve ease of use, predictability in permitting process, and quality of built results. Changes were based on findings from the technical analysis and input received from City staff, stakeholders, and Planning Commission regarding the effectiveness of the FBCs. Refinements include:

- *Parking and Driveways*
 - Removed residential parking maximum to allow parking to be provided to meet demand

- Simplified parking setback requirements by translating ‘layer’ concept into feet and eliminating use of complicated first, second, and third layer-based regulations.
- Modified parking setback requirements to ensure parking is located behind the main building along the primary façade, while adding flexibility to allow parking in front of the building along the street side setback.
- Removed maximum driveway width to allow greater flexibility to meet Fire Code requirements
- *Thoroughfares*
 - Replaced thoroughfare standards and with a new process for development of large sites to ensure original intent of improved internal and external connectivity, while also allowing street design to better align with City plans for roadway improvements and street design. Overly prescriptive street standards, placement, and requirements for new streets (especially on small, shallow lots) was identified as one of the limiting factors for new development along the Mission Boulevard corridor.
 - Added language to emphasize multi-modal access for pedestrian and bicyclists, rather than prioritizing streets for automobiles.
- *Architecture and Design*
 - Removed architectural standards regulating building materials, size of entryways, and roof pitch which were arbitrary and overly restrictive. Instead added new design objectives for façade articulation.
 - Removed building disposition types, which had no regulatory effect on building development and added unnecessary confusion to allowed development.
 - Modified glazing requirement to apply only to non-residential facades, reducing potential constraint to residential uses.
 - Prohibit residential frontage types along Mission Boulevard in the MB-NN Zone, which is intended for higher intensity development with ground floor non-residential uses.
- *Land Uses*
 - Expanded allowed ground floor uses to include all commercial uses, rather than limiting to exclusively retail uses. It was determined ‘retail’ is too narrowly defined, resulting in unused space on ground floor along the Mission Boulevard Corridor.
 - Added standards for temporary uses, to allow flexible use of vacant or underutilized sites while ensuring compatibility. Standards are consistent with the recently adopted Downtown Code.
 - Clarified that uses associated with a residential use, such as leasing office, community space, amenities etc. are allowed on the ground floor in Commercial Overlay #1.
 - Modified Commercial Overlay #2 to prohibit residential units along the ground floor of the primary street frontage only, instead of the entire ground floor of the whole site, unless permitted with a Conditional Use Permit.

- Added flexibility in the MB-CS zone for privately owned property, allowing the existing uses and buildings to continue until the site is redeveloped or becomes under public ownership.
- Allow existing Single-Family Dwellings if they were constructed prior to the effective date of the Code and clarified that no new detached single-family dwellings are allowed.
- *Open Space/Landscaping*
 - Tailored open space regulations to residential and non-residential uses, by zone; requiring all residential to provide a combination of private and common open space, non-residential uses on large sites (≥ 2 acres) to dedicate a percent of lot area to civic space, and all projects to provide landscaping. Reduces constraint to development of small commercial sites while promoting diverse open space and landscaping consistent with City sustainability concepts.
- *Regulating Plan (see below in 'Proposed Map Amendments' for further discussion)*
 - Eliminated the "height overlay", and instead integrated height restrictions into zone standards
 - Eliminated the "shopfront overlay", and instead integrated ground floor use requirements into land use table.
 - Eliminated 'dual zoning' (when more than one zone is mapped on a parcel) and mapped these areas as MB-CC with a Commercial Overlay #1. These sites are greater than 2 acres in size, and must comply with the requirements for large sites, which includes Major Site Plan review.
 - Expanded application of TOD Overlay 2 to include all properties on the north side of Mission Blvd between Tennyson Rd and Valle Vista Ave.
 - Modified application of Commercial Overlay #1 and Commercial Overlay #2 to apply only to parcels with direct access to Mission Boulevard, replaced Commercial Overlay #1 with Commercial Overlay #2 in areas north of Harder Rd, and added Commercial Overlay #1 to formerly dually zoned sites south of Harder Rd.
 - Removed terminated vistas from regulating plan which were not regulatory and added confusion
- *Lot, Height, and Bulk Standards*
 - Removed maximum lot width standard to allow greater flexibility in site development.
 - Reduced minimum residential ground floor height above sidewalk from 2 feet to 1 foot and allow at grade if needed to provide ADA access. Consistent with Downtown Code
 - Removed maximum floor to ceiling height for non-residential ground floor, upper floors, attics, and basements. Simpler to allow maximum building height to regulate rather than height of individual floors.
 - Added minimum depth of ground floor buildings to ensure development of viable commercial space while still allowing flexibility in size and placement of ground floor uses

- Simplified building setback requirements by translating ‘layer’ concept into feet and eliminating use of complicated first, second, and third layer-based regulations.
- Reduced maximum front and street side setbacks in MB-NN Zone and maximum side setback in MB-CC Zone, consistent with intent for higher intensity, more walkable environment
- Simplified standards for MB-CS zone, applying MB-CN Zone standards for MB-CS zoned properties, and eliminated incentives for development of MB-CS properties, including additional density, as these may not be feasible.
- *Administrative Procedures*
 - Replaced warrants and exceptions with new process for minor adjustment, allowing flexibility of Code standards without negative connotation associated with warrants and exceptions.

Consistency with Adopted Plans and Ordinances. The MB Code includes several updates to resolve inconsistencies, overlap, and/or redundancy with the Hayward Municipal Code, General Plan, Downtown Specific Plan, and other city plans and policies. These improvements include:

- *New/Updated*
 - Updated screening requirements to align with recently updated Industrial District standards
 - Added allowance for increased height and density subject to approval of a Major Site Plan, consistent with overall density of the Sustainable Mixed-Use designation in the General Plan
 - Added allowance for reduced density below minimum, subject to approval of a Major Site Plan, in all zones consistent with overall density of the Sustainable Mixed-Use designation in the General Plan.
 - Added requirement for sustainability plan for new development to align with intent of the Sustainable Mixed-Use designation in the General Plan
 - Added safety and security requirements for exterior and parking lot lighting consistent with City CPTED (crime prevention through environmental design) policies
 - Updated bicycle parking requirements to align with recently adopted Downtown Code
 - Updated frontage type standards to use consistent terminology and descriptions as recently adopted Downtown Code and added two new frontage types: Dooryard and Maker Shopfront
 - Updated civic space standards to use consistent terminology and descriptions as recently adopted Downtown Code and added general civic space design requirements and new civic space type: Greenway
- *Resolve Conflict/Inconsistencies*

- Removed parking and parking screening requirements which overlap with Chapter 10, Article 2 of the Hayward Municipal Code regarding off-street parking
- Removed solar energy requirements which are superseded by State law
- Allow wind energy systems with a Conditional Use Permit, consistent with citywide regulations for wind energy conversion systems
- Removed light imprint drainage system information which is superseded by recent improvement to City stormwater regulations
- Removed subdivision regulations which overlap with Chapter 10 of the Hayward Municipal Code
- Allow chain link fences subject to certain conditions, consistent with Chapter 10 of the Hayward Municipal Code
- Aligned table of allowed land uses and permit requirements to be consistent with the land uses and definitions of the Hayward Municipal Code and the Downtown Code
- Removed standards for 'Food Production' and 'Affordable and Special Needs' which overlap and are superseded by the Hayward Municipal Code

Minor Cleanups. In addition to the edits mentioned above, the MB Code includes minor text edits to correct typos or incorrect cross references, clarify and simplify confusing language, match revised content, and align with standard City terminology.

Proposed Map Amendments. As mentioned previously, the two FBCs will be consolidated into one document to simplify understanding and implementation of the revised regulating map by reducing the number and type of duplicative zoning districts. Specifically, staff removed the dual-zoning designation applied to properties on key catalyst sites to help eliminate confusion related to development standards and permitted land uses. Additionally, these sites were updated to also include a Commercial Overlay #1 in order to maintain the viability of these parcels as regional and neighborhood commercial sites.

Staff also recommended that the Commercial Overlay #2 be expanded onto properties where commercial uses and centers already exist in key areas to preserve non-residential uses (e.g. services, retail, and restaurants) along the street level in an effort to balance the pedestrian experience and encourage walkability from nearby residential areas.

Additionally, staff is recommending the TOD Overlay #2 be expanded to include the north side of Mission Boulevard between Tennyson Road and Valle Vista Avenue in order to allow for greater residential densities due to its proximity to the South Hayward BART Station (approximately 0.25-miles away) and consistent with Priority Development Area (PDA) designations. The application of the TOD Overlay #2 allows a higher minimum density "by right" than the base zoning and will help the City meet its transit-oriented development goals by focusing high-density, mixed-use development near major transit stops.

Finally, all parcels that are currently zoned MB-T3 are proposed to be removed from the FBC areas and recommended to revert back to the Single-Family Residential (RS) zoning district. These parcels were previously included in the Plan area but many of these designated areas

are part of an established single-family neighborhood where no redevelopment plans are anticipated.

Additional Land Use Considerations. Planning Division staff has received inquiries from the property owner of 22372 Mission Boulevard (at the northeastern corner of Mission Boulevard and Hotel Avenue) to potentially change the zoning from its current “Civic Space (CS)” classification to allow for more commercially permitted uses. Upon review of the site-specific conditions and past Planning documents, staff is recommending the site maintain its current zoning classification of CS due to the redevelopment limitations resulting from geological hazards associated with two fault traces transecting the property. This designation would allow the City to maintain compliance with the Alquist-Priolo Earthquake Fault Zoning Act⁵.

Additionally, staff has noted that outside of the FBC area boundaries, north of “A” Street, there are two properties (720 Simon Street and 926 Rose Street) that are zoned “Central City – Commercial (CC-C)” but are located outside of the boundaries of the Downtown Specific Plan area and inadvertently excluded from the rezoning of the Downtown plan area. Staff is recommending the property at 926 Rose Street be rezoned from CC-C to the new zoning classification of MB-CN to be consistent with its underlying land use designation of Sustainable Mixed Use (SMU). Staff is also recommending that the property at 720 Simon Street be rezoned from the current CC-C zoning designation to Medium-Density Residential (RM) to be consistent with the Medium-Density Residential (MDR) land use designation in the *Hayward 2040 General Plan*. Staff intends to include these map changes as part of the overall adoption of the Mission Boulevard Code.

POLICY CONTEXT AND CODE COMPLIANCE

Hayward 2040 General Plan. While the proposed update to the Mission Boulevard Code will not require any General Plan Amendments, the *Hayward 2040 General Plan* contains several goals, policies and actions that support the update to the City’s two existing Form Based Codes. The City’s General Plan establishes the community-based vision for the future of Hayward and includes implementation programs to help the City achieve that vision. There applicable goals and policies that support the Mission Boulevard Code update include the following:

- LU-1.3: 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.
- 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.

⁵ Alquist-Priolo Earthquake Fault Zone Act:

https://leginfo.ca.gov/faces/codes_displayText.xhtml?division=2.&chapter=7.5.&lawCode=PRC

- LU-2.9: The City shall maintain and implement the South Hayward BART Form Based Code to guide and regulate future development and infrastructure improvements within the South Hayward BART Urban Neighborhood and the South Hayward BART Mixed-Use Corridor.
- LU-2.12: The City shall encourage the redevelopment of the Mission Boulevard corridor to create an attractive mixed-use boulevard with a variety of commercial functions and residential densities that support walking and transit.
- LU-3.4: The City shall require new neighborhood commercial and mixed-use developments to have a pedestrian scale and orientation by:
 - Designing the building with ground floor retail frontages or storefronts that front the street
 - Enhancing the property with landscaping, lighting, seating areas, bike racks, planters, and other amenities that encourage walking and biking
- LU-4.5: The City shall require corridor developments to transition the massing, height and scale of buildings when located adjacent to residential properties. New development shall transition from a higher massing and scale along the corridor to a lower massing and a more articulated scale toward the adjoining residential properties.
- LU-5.2: The City shall maintain flexible land use regulations that allow the establishment of economically productive uses in regional and commercial centers.
- 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.
- H-4.2 (Clear Development Standards and Approval Procedures). The City shall strive to maintain and administer clear development standards, and approval procedures for a variety of housing types, including, but not limited to, multifamily housing and emergency shelters.
- HAZ-2.5: The City shall prohibit the expansion of existing buildings (constructed prior to the adoption of the Alquist-Priolo Special Studies Zone Act) that are located over an active fault. Renovations to existing buildings within a fault zone shall be subject to the limitations and requirements of the Alquist-Priolo Special Studies Zone Act.

South Hayward BART and Assembly Bill 2923. On September 30, 2018, Governor Brown signed AB 2923⁶ that affects zoning requirements on properties owned by the Bay Area Rapid Transit District (BART) within ½ mile of their stations to facilitate Transit Oriented Developments (TODs). Currently, much of the existing South Hayward BART property, along with adjacent properties, is designated as a PD, Planned Development which was established as part of the adoption of the South Hayward BART Concept Design Plan in 2009 and later

⁶ AB 2923, SF BART Transit Oriented Development:
https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB2923

amended in 2014. As preliminarily proposed, the South Hayward BART property is identified as a “Neighborhood/Town Center” which allows up to 75 units per acre, 5-stories buildings, maximum 3.0 floor area ratio, including a maximum residential parking requirement of 1.0 space per residential unit, and maximum 2.5 spaces per 1,000 square-feet of office space. While staff is proposing to consolidate the two existing Form Based Codes and create updated development standards for the Code area, the South Hayward BART property is not included with those revisions and the previous zoning, including any updated State mandates for BART-owned property, would apply.

PDA Designation. A majority of the Mission Boulevard in the Code area has been designated as a Priority Development Area (PDA) by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC). PDAs are areas within existing communities that local city or county governments have identified and approved for future growth. These areas typically are accessible by one or more transit services; and they are often located near established job centers, shopping districts and other services. The City currently has five designated PDA areas where residential and job growth are forecast.

For the Bay Area, PDAs are expected to accommodate 78 percent of new housing production (over 500,000 units) and 62 percent of employment growth (almost 700,000 jobs) through the year 2040. PDAs are part of a larger strategy towards growth management, which are part of the Plan Bay Area 2050's Regional Growth Framework, the Bay Area's strategy for coordinating housing and job growth. This Framework will shape the investments and growth pattern to be detailed in the *Plan Bay Area 2050*.

As part of the Code update, staff is proposing to substantially increase the residential densities for properties along the Mission Boulevard Corridor to accommodate the additional residential development, consistent with the vision of Plan Bay Area and supporting the higher densities envisioned with the Sustainable Mixed-Used (SMU) land use designation of the General Plan. The proposed residential densities along the Corridor support transit-oriented development near transit stations and support transportation demand management (TDM) principals. In conjunction with recently adopted State legislation, including SB 330 (Housing Crisis Act of 2019) and AB 1763 (Density Bonus for 100% Affordable Projects), staff believes the increased residential densities are warranted and further support effort the City's efforts towards increased housing production, consistent with the City's Regional Housing Needs Allocation (RHNA) requirements contained in the *Hayward 2040 General Plan*.

ENVIRONMENTAL REVIEW



Following study sessions with the Planning Commission and City Council, the draft documents will be finalized and an Initial Study (IS) will be prepared in accordance with the California Environmental Quality Act (CEQA), to determine if and to what extent the proposed regulations and map amendments would have a significant effect on the environment. The impact analysis in the IS will determine whether an Environmental Impact Report (EIR), Negative Declaration or Mitigated Negative Declaration will be prepared for the project.

NEXT STEPS

The City Council will hold a Study Session on the Draft Regulations and related documents in March 2020. Following the City Council Study Session, staff will incorporate comments and finalize the Draft Regulations and undergo environmental review. Following completion of environmental analysis, the Draft Regulations and environmental documentation will come back to the Planning Commission for review and recommendation and to the City Council for ultimate adoption. The draft documents are currently on the project website, and City staff will take public comments on the documents between now and the City Council Study Session.

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Approved by:


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Laura Simpson, AICP, Development Services Director



MISSION BOULEVARD CODE

City of Hayward, California
Public Hearing Draft| February 2020

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Division 1.1 Purpose and Intent

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1.1.010 Purpose and Intent

- A. This Chapter of the Hayward Municipal Code shall be known, and may be cited, as the Mission Boulevard Corridor Code. References to “Code” within this Chapter are references to the Mission Boulevard Corridor Code unless the text indicates otherwise. References to the “Municipal Code” refer to the Hayward Municipal Code and references to “Hayward Zoning Code” refer to [Chapter 10 of the Hayward Municipal Code](#).
- B. This Code carries out the policies of the Hayward General Plan for the Mission Boulevard Corridor Code Area (Code Area) identified in [Figure 2.1.020.1 \(Mission Boulevard Code Regulating Plan\)](#) by classifying and regulating the types and intensities of development and land uses within the Code Area consistent with, and in furtherance of, the policies and objectives of the General Plan. This Code is adopted to protect and promote the public health, safety, comfort, convenience, prosperity, and general welfare of the community.
- C. This Code is a tool for implementing the goals, objectives, and policies of the Hayward General Plan, pursuant to the mandated provisions of the State Planning and Zoning Law, the California Environmental Quality Act, and other applicable State and local requirements.

1.1.020 Effective Date

The Mission Boulevard Corridor Code has an effective date of {to be completed}.

1.1.030 Applicability

- A. This Code applies to all land uses, subdivisions, and development within the Code Area identified in [Figure 2.1.020.1 \(Mission Boulevard Code Regulating Plan\)](#).
- B. It shall be unlawful and a violation of this Code for any person to establish, construct, reconstruct, enlarge, alter, or replace any use of land or structure, except in compliance with the requirements listed below, including those relating to nonconforming uses, structures, and parcels. No building permit or grading permit shall be issued by the City unless the proposed construction complies with all applicable provisions of this Code.
- C. This Code supplements, or when in conflict replaces, the standards and procedures in [Chapter 10 \(Planning, Zoning, and Subdivisions\) of the Municipal Code](#). All applicable provisions of the Municipal Code that are not specifically replaced or identified as not applicable continue to apply to all properties within the Code Area. If there is a conflict between the standards of this Chapter and the standards in the Municipal Code, the standards in this Chapter supersede unless otherwise stated.
- D. **Minimum Requirements.** The provisions of this Code are minimum requirements for the protection and promotion of the public health, safety, comfort, convenience, prosperity, and general welfare. When this Code provides for discretion on the part of a City official or body, that discretion may be exercised to impose conditions on the approval of any project proposed in the Code Area, as may be determined by the Review Authority to be necessary to establish or promote development and land use, environmental resource protection, and the other purposes of this Code
- E. **Non-Conforming Structures and Land Uses.** Nonconforming structures and/or nonconforming use(s) legally existing when this Code was adopted must comply with [Section 10-1.2900 \(Nonconforming Uses\)](#) of the Hayward Zoning Code.
- F. **Effect of Zoning Code Changes on Projects in Progress.** An application for zoning approval that has been deemed complete by the Planning Director before the effective date of the ordinance codified in this Code or any amendment will be processed according to the requirements in effect when the review authority first considers the application in a public hearing.

1.1.040 Organization and Use

The Code consists of the following Articles:

1. **Article 1 Introduction.** This Article establishes the purpose of the Code and explains how existing and new standards will be applied to property within the boundaries of the Code Area identified in [Figure 2.1.020.1 \(Mission Boulevard Code Regulating Plan\)](#).
2. **Article 2 Specific to Zones.** This Article establishes and defines the zones for the Code Area and specifies the allowed uses, permit requirements, and development standards for each zone.
3. **Article 3 Supplemental to Zone.** This Article establishes general, frontage, and civic space standards for the zones. This Article also defines the character of each frontage and civic space type. This Article also provides additional standards and requirements that apply to a specific use, subdivisions, and air quality mitigation measures.

4. **Article 4 Permits and Procedures.** This Article describes the permitting and processing procedures that apply to property within the boundaries of the Code Area.
5. **Article 5 Definitions.** This Article provides definitions of terms used in the Code. This Article supplements, and when in conflict, replaces the definitions in [Section 10-1.3500 \(Definitions\) of the Hayward Zoning Code](#).

1.1.050 Rules of Interpretation

- A. Provisions of this Code are activated by “shall” or “must” when required; “should” when recommended; and “may” when optional.
- B. Terms used throughout this Code are defined in [Article 5 \(Definitions\)](#). Terms not defined in [Article 5](#) shall be as defined in [Section 10-1.3500 \(Definitions\) of the Hayward Zoning Code](#). Terms not defined in [Article 5](#) or [Section 10-1.3500](#) shall be accorded their commonly accepted meanings.
- C. Diagrams and figures that accompany tables and text are considered examples, and are not regulatory. Diagrams may not be to scale.
- D. Where in conflict, numerical metrics shall take precedence over graphic metrics.
- E. Within the Code, sections are occasionally prefaced with “purpose” or “intent” statements. Each such statement is intended as an official statement of legislative finding or purpose. The “purpose” or “intent” statements are legislatively adopted, together with their accompanying Code text. They are intended as a guide to the administrator and interpretation of the Code and shall be treated in the same manner as other aspects of legislative history. However, they are not binding standards.
- F. The Planning Director may make interpretations of this Code in compliance with [Hayward Zoning Code Section 10-1.120 \(Reviewing Authorities\)](#) and may refer any interpretation to the Planning Commission in compliance with [Hayward Zoning Code Section 10-1.2840 \(Administrative Referral\)](#).
- G. Any interpretation of this Code by the Planning Director may be appealed to the Planning Commission in compliance with [Section 10-1.2845 \(Appeal and Review Process\) of the Hayward Zoning Code](#).

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Division 2.1: Establishment of Zones

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2.1.010 Zones Established

This Article establishes the zones applied to property within the Code Area, adopts the Mission Boulevard Code Regulating Plan for the Code Area as its Zoning Map, and establishes standards applicable to zones.

2.1.020 Zoning Map

The City Council hereby adopts the Mission Boulevard Code Regulating Plan (hereafter referred to as the “Regulating Plan”), as shown in Figure 1, as an amendment to the zoning district map authorized by [Municipal Code Section 10-1.3400 \(Amendments\)](#). The Regulating Plan acts as the Zoning Map for the Code Area.

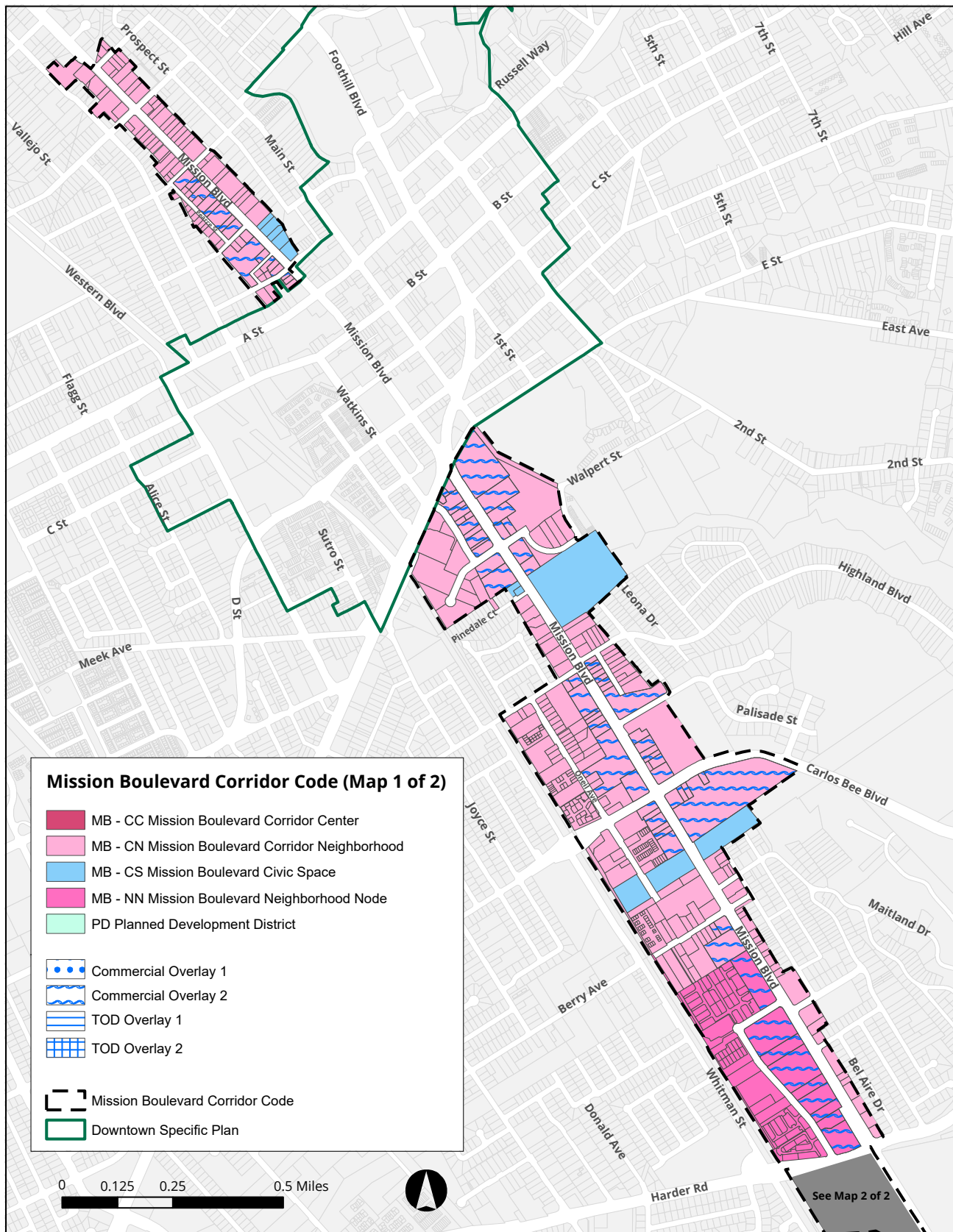


Figure 2.1.020.1A: Mission Boulevard Code Regulating Plan

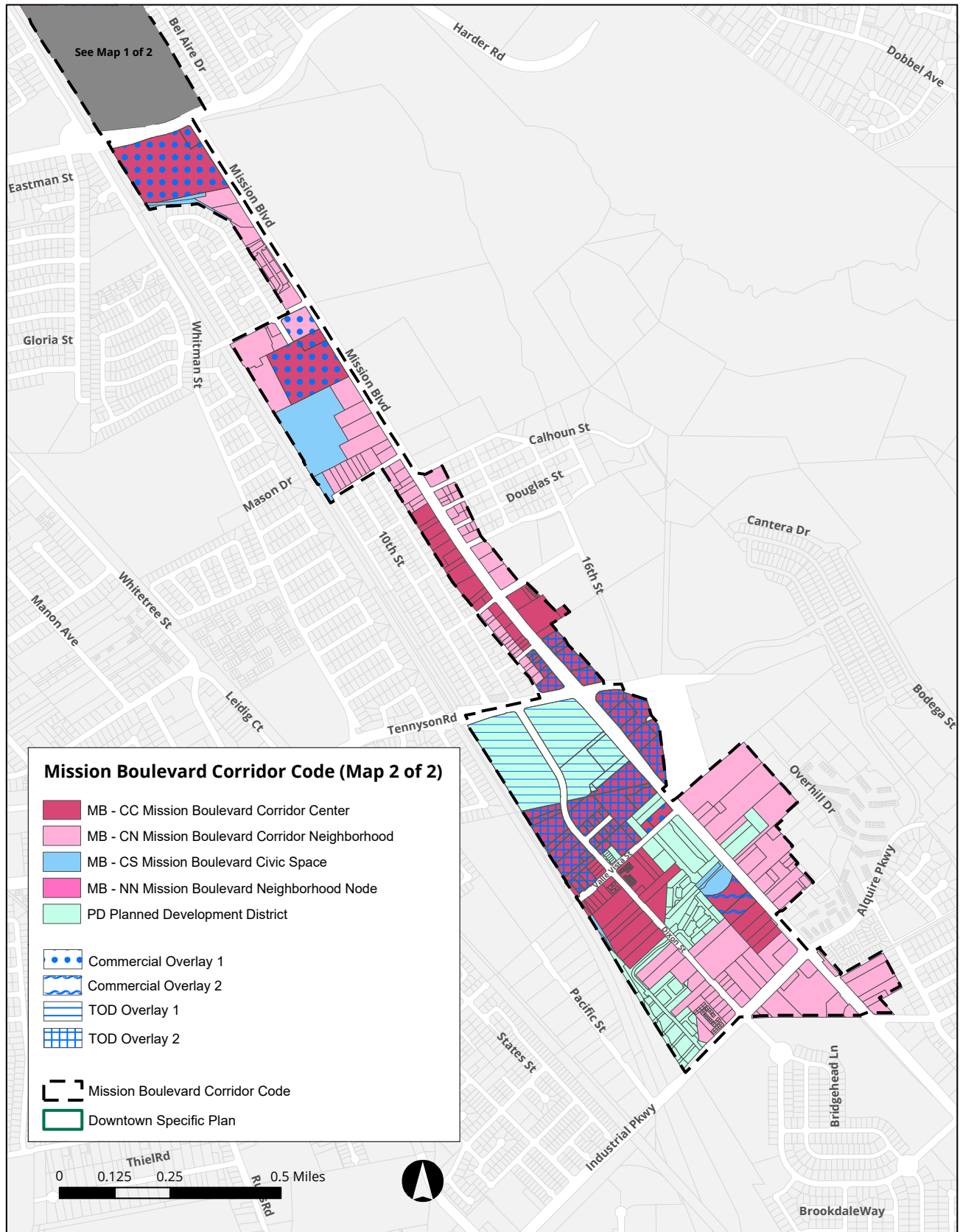


Figure 2.1.020.1B: Mission Boulevard Code Regulating Plan

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Division 2.2: Mission Boulevard Corridor Zones

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2.2.010 Purpose

This Division establishes the zones applied to property within the Mission Boulevard Corridor Code Area and establishes standards applicable to zones.

2.2.020 Applicability

- A. The standards in this Division apply to all proposed land uses and development within Mission Boulevard Corridor Code Area.
- B. All applicable provisions of Chapter 10 (Planning, Zoning, and Subdivisions) of the Municipal Code that are not specifically replaced or identified as not applicable continue to apply, unless otherwise provided.
- C. If there is a conflict between the standards of this Division and the standards in another Division or Article of the Mission Boulevard Corridor Code or with the Municipal Code, the standards in this Division supersede the Municipal Code and Article 3 (Supplemental to Zones) supersedes this Division.

Mission Boulevard - Corridor Neighborhood



Zone(s)

Mission Boulevard - Corridor Neighborhood (MB-CN)

Intent

A mixed-use neighborhood environment with moderate-intensity, medium-scale residential and non-residential uses compatible with surrounding neighborhoods, along a multi-modal corridor within short walking, biking, or bus distance of neighborhood serving retail and service uses.

Mission Boulevard - Neighborhood Node



Zone(s)

Mission Boulevard - Neighborhood Node (MB-NN)

Intent

A vibrant, urban neighborhood-serving node supporting mixed-use infill development to provide a range of commercial, retail, entertainment, civic, and moderate intensity residential uses in a more compact urban setting.

Mission Boulevard - Corridor Center



Zone(s)

Mission Boulevard - Corridor Center (MB-CC)

Intent

A transit-oriented mixed-use, urban center with high-intensity, residential and non-residential uses located within close proximity to BART, to facilitate access to BART by biking or walking.

2.2.030 Overview of Mission Boulevard Corridor Zones

- A. The Mission Boulevard Corridor Zones are described in this Division, and each zone is established based on the intent of the desired physical form and character of particular environments. Other than the Mission Boulevard - Civic Space (MB-CS) Zone, the zones range in function and intensity from moderate intensity (Mission Boulevard - Corridor Neighborhood), to a higher intensity (Mission Boulevard - Corridor Center). The naming of these zones is based on an overall spectrum of context types from less urban to more urban along the Mission Boulevard Corridor.

1. **Mission Boulevard - Civic Space (MB-CS).** This zone is intended for the provision of public open space, civic buildings, and civic uses. When the MB-CS Zone is applied to privately owned property, the use and building existing at the time this Code comes into effect may continue until the site is redeveloped or becomes under public ownership. Allowed uses and permit requirements are as prescribed in Table 2.3.010.A: Allowed Uses and Permit Requirements. Buildings shall be designed and located in compliance with the standards of the MB-CN.

B. Overlay Zones

1. **TOD Overlays.** Properties within close proximity to public transit centers, including BART, as identified on the Mission Boulevard Code, are modified to allow for an increase in residential density and adjusted height regulations.
2. **Commercial Overlay #1.** Properties designated with a Commercial Overlay Zone 1 designation shall not be developed with residential units on the first or ground floor. Uses associated with the residential use, such as leasing office, community space, amenities, etc., are allowed on the ground floor.
3. **Commercial Overlay #2.** Properties designated with a Commercial Overlay Zone 2 designation shall not be developed with residential units along the primary street frontage unless permitted with a conditional use permit.

Mission Boulevard - Corridor Neighborhood

2.2.040 Mission Boulevard - Corridor Neighborhood (MB-CN)



A. Intent

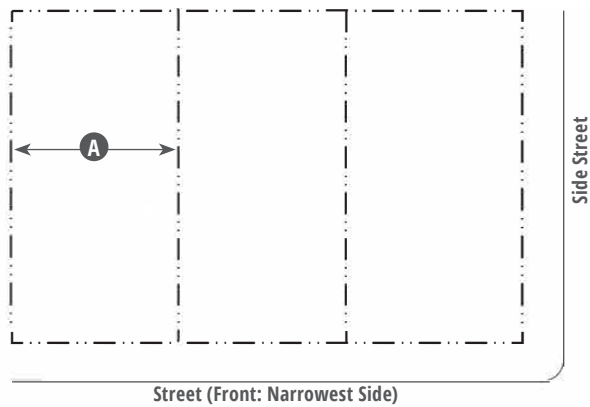
A mixed-use neighborhood environment with moderate-intensity, medium-scale residential and non-residential uses compatible with surrounding neighborhoods, along a multi-modal corridor within short walking, biking, or bus distance of neighborhood serving retail and service uses.

General note: The image above is intended to provide a brief overview of this zone and is illustrative only.

B. Density

Minimum ¹	17.5 du/ac
Maximum	35 du/ac
	55 du/ac South of A Street with Major Site Plan Review

¹ Reduction in minimum density allowed subject to Major Site Plan Review.

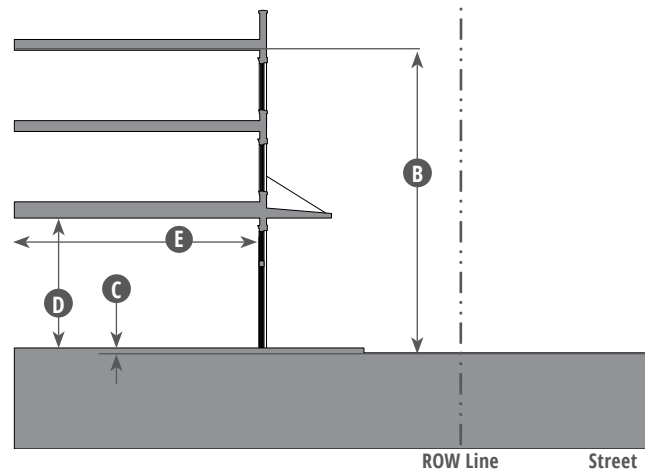
**Key**

--- ROW / Lot Line

C. Lot Occupation

Lot Width	18' min.	A
Lot Coverage	80% max.	
Landscaping	15% of lot area, min.	
Open Space	150 sf min. per unit ¹	

¹ Minimum 50 sf must be provided as private usable open space for minimum 50% of the units and minimum 50 sf per unit must be provided as common usable open space. The remaining open space requirement may be met by a combination of private or common usable open space.

**Key**

--- ROW Line

D. Building Form**Height**

Main Building	B
Stories- North of A Street	3 max.
Stories- South of A Street	4 max., 5 max. with Major Site Plan Review
Overall- South of A Street	57' max., 68' max. with Major Site Plan Review

Accessory Structure(s)

Stories	2 max.
---------	--------

Ground Floor Finish Level**C**

Residential	12" min. ¹
Non-Residential	3' max.

Ground Floor Ceiling**D**

Non-Residential	14' min.
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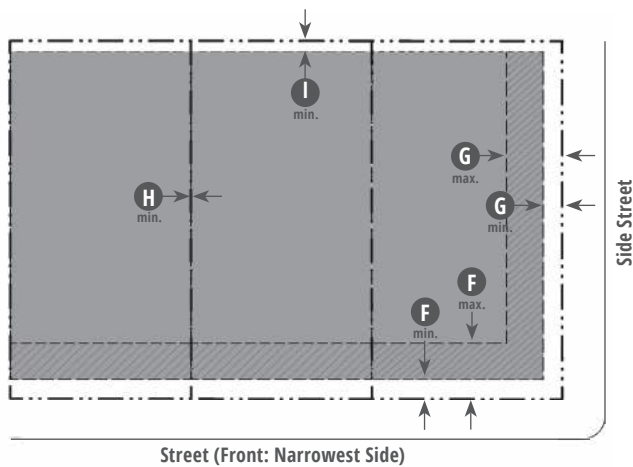
Other**Accessory Structure(s)**

Square Feet	440 max.
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Building Depth, Ground-Floor**E**

¹ The ground floor finish level of buildings facing a public ROW must be 12 inches above grade, unless otherwise adjusted to comply with ADA.

Height limits do not apply to chimneys, architectural features, parapets, solar energy systems, or necessary mechanical equipment, provided that such features are limited to the minimum height necessary for their proper functioning.

**Key**

- ROW / Lot Line
- Building Setback Line
- Buildable Area
- ▨ Facade Zone

E. Building Placement**Setback (Distance from ROW / Lot Line)**

Front (Facade Zone)		F
Main Building ^{1, 2}	6' min.; 24' max.	
Accessory Structure(s)	26' min.	
Street Side (Facade Zone)		G
Main Building ¹	6' min.; 24' max.	
Accessory Structure(s)	6' min.	
Side		H
Main Building	0' min.	
Accessory Structure(s)	0' min.	
Rear		I
Main Building and Accessory Structure(s)	3' min.	

¹ Or average front setback of adjacent lots, whichever is less. For corner lots, average of minimum required and front setback of adjacent lot, whichever is less.

² A larger setback may be required to accommodate required frontage or other planned improvements.

Building within Facade Zone (Percent of Net Lot Width)

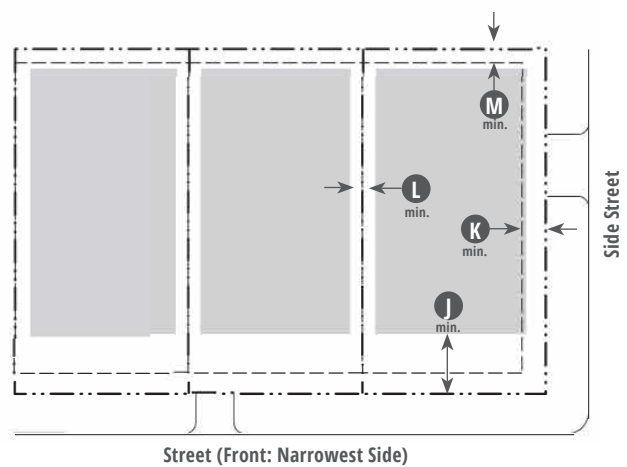
Front ³	60% min.
Street Side	40% min.

³ Required only when facing a public ROW

Miscellaneous

Building facade must be parallel to ROW/Lot Line.

Minimum one primary pedestrian entrance from primary street located within front facade zone.

**Key**

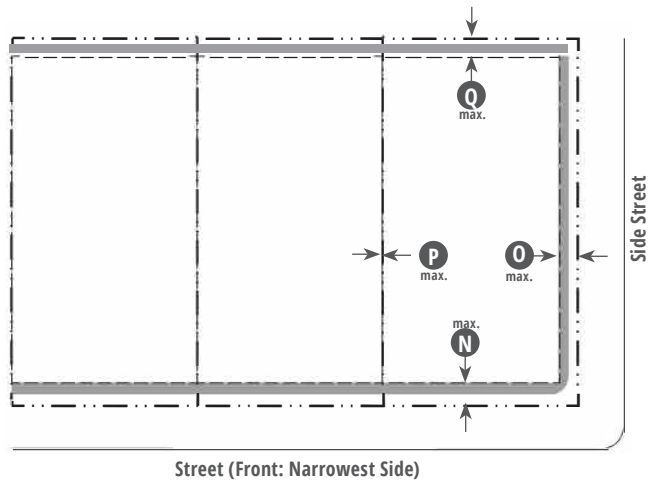
- ROW / Lot Line
- Building Setback Line
- Parking Area

F. Parking and Driveways**Parking Requirements**

See [Section 3.2.050 \(Parking and Loading\)](#)

Parking Location (Distance from ROW / Lot Line)

Front Setback	30' min.	J
Street Side Setback	5' min.	K
Side Setback	5' min.	L
Rear Setback	5' min.	M



Key

- - - - ROW / Lot Line ■ Encroachment Area
 - - - - Building Setback Line

G. Projections into Required Yards

Encroachment Type	N	O	P	Q
	Front	St. Side	Side	Rear
Frontage ¹	3' max.	3' max.	—	—
Steps or Ramp to Building Entrance	4' max.	3' max.	—	—
Architectural Features	3' max.	3' max.	—	3' max.

Encroachments at grade are not allowed within a street ROW, alley ROW, or across a lot line.

¹ See Division 3.3 (Specific to Frontage Types) for further refinement of the allowed encroachments for frontage elements.

H. Frontages

Private Frontage Type	Front	St. Side	Standards
Front Yard	A	A	3.4.050
Porch: Projecting	A	A	3.4.060
Porch: Engaged	A	A	3.4.070
Stoop	A	A	3.4.080
Forecourt	A	A	3.4.090
Dooryard	A	A	3.4.100
Maker Shopfront	-	A	3.4.110
Shopfront	A	A	3.4.120
Terrace	A	A	3.4.130

Miscellaneous

Corner Lots must have private frontage located within the Front and Street Side Facade Zone as required in Subsection E.

First story facades for non-residential uses and common areas for residential, must provide minimum 30% glazing with clear glass. See Division 3.3 (Specific to Frontage Types) for further refinement of the glazing requirements by frontage type.

Key

A = Allowed — = Not Allowed

Mission Boulevard - Neighborhood Node

2.2.050 Mission Boulevard - Neighborhood Node (MB-NN)



A. Intent

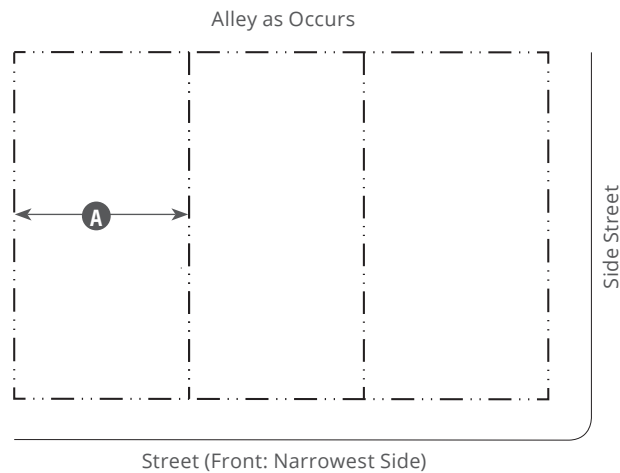
A vibrant, urban neighborhood-serving node supporting mixed-use infill development to provide a range of commercial, retail, entertainment, civic, and moderate intensity residential uses in a more compact urban setting.

General note: The image above is intended to provide a brief overview of this zone and is illustrative only.

B. Density

Minimum ¹	17.5 du/ac
Maximum	35 du/ac
	65 du/ac with Major Site Plan Review

¹ Reduction in minimum density allowed subject to Major Site Plan Review.

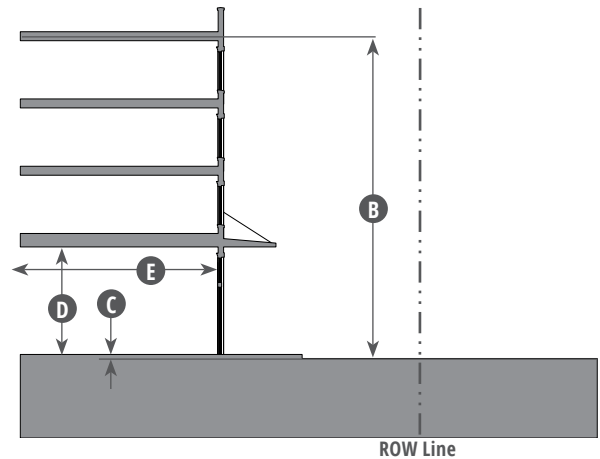
**Key**

--- ROW / Lot Line

C. Lot Occupation

Lot Width	18' min.	A
Lot Coverage	80% max.	
Landscaping	10% of lot area, min.	
Open Space	100 sf min. per unit ¹	

¹ Minimum 50 sf must be provided as private usable open space for minimum 50% of the units and minimum 50 sf per unit must be provided as common usable open space. The remaining open space requirement may be met by a combination of private or common usable open space.

**Key**

--- ROW Line

D. Building Form**Height****Main Building**

Stories	4 max., 6 max. with Major Site Plan Review	B
Overall	57' max., 79 max. with Major Site Plan Review	

Accessory Structure(s)

Stories	2 max.
---------	--------

Ground Floor Finish Level

Residential	12" min. ¹	C
Non-Residential	3' max.	

Ground Floor Ceiling

Non-Residential	14' min.	D
-----------------	----------	----------

Other**Accessory Structure(s)**

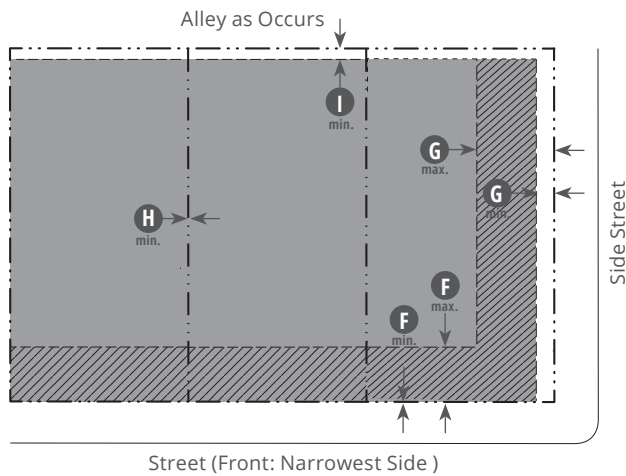
Square Feet	440 max.
-------------	----------

Building Depth, Ground-Floor

	30' min.	E
--	----------	----------

¹ The ground floor finish level of buildings facing a public ROW must be 12 inches above grade, unless otherwise adjusted to comply with ADA.

Height limits do not apply to chimneys, architectural features, parapets, solar energy systems, or necessary mechanical equipment, provided that such features are limited to the minimum height necessary for their proper functioning.

**Key**

- ROW / Lot Line
- Building Setback Line
- Buildable Area
- ▨ Facade Zone

E. Building Placement**Setback (Distance from ROW / Lot Line)****Front (Facade Zone)****F**

Main Building ^{1,2}	0' min.; 24' max.
Accessory Structure(s)	20' min.

Street Side (Facade Zone)**G**

Main Building ¹	6' min.; 24' max.
Accessory Structure(s)	6' min.

Side**H**

Main Building	0' min.
Accessory Structure(s)	0' min.

Rear**I**

Main Building and Accessory Structure(s)	3' min.
--	---------

¹ Or average front setback of adjacent lots, whichever is less. For corner lots, average of minimum required and front setback of adjacent lot, whichever is less.

² A larger setback may be required to accommodate required frontage or other planned improvements.

Building within Facade Zone (Percent of Net Lot Width)

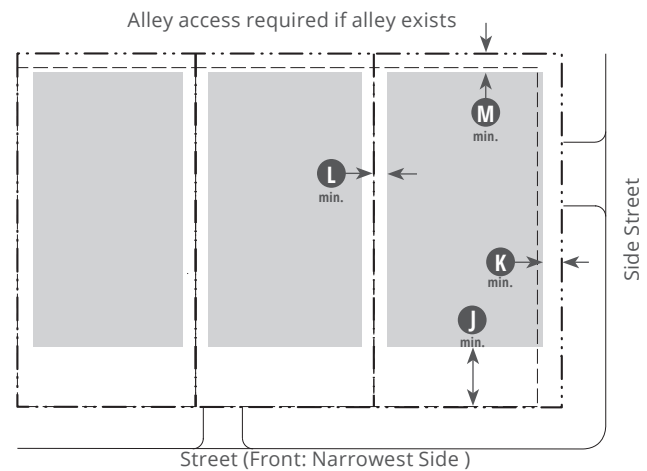
Front ³	60% min.
Street Side	40% min.

³ Required only when facing a public ROW

Miscellaneous

Building facade must be parallel to ROW/Lot Line.

Minimum one primary pedestrian entrance from primary street located within front facade zone.

**Key**

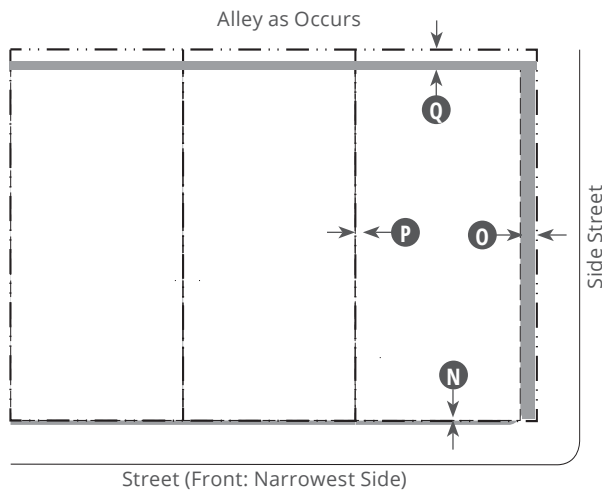
- ROW / Lot Line
- Building Setback Line
- Parking Area

F. Parking and Driveways**Parking Requirements**

See [Section 3.2.050 \(Parking and Loading\)](#)

Parking Location (Distance from ROW / Lot Line)

Front Setback	30' min.	J
Street Side Setback	5' min.	K
Side Setback	5' min.	L
Rear Setback	5' min.	M

**Key**

- ROW / Lot Line ■ Encroachment Area
 --- Building Setback Line

G. Projections into Required Yards

Encroachment Type	N	O	P	Q
	Front	St. Side	Side	Rear
Frontage ¹	May encroach up to the property line		—	—
Steps or Ramp to Building Entrance	May encroach up to the property line		—	—
Architectural Features	3' max.	3' max.	—	3' max.

Encroachments at grade are not allowed within a street ROW, alley ROW, or across a lot line.

¹ See Division 3.3 (Specific to Frontage Types) for further refinement of the allowed encroachments for frontage elements.

H. Frontages

Private Frontage Type	Front	St. Side	Standards
Porch: Projecting	A ¹	A	3.4.060
Porch: Engaged	A ¹	A	3.4.070
Stoop	A ¹	A	3.4.080
Forecourt	A	A	3.4.090
Dooryard	A	A	3.4.100
Maker Shopfront	-	A	3.4.110
Shopfront	A	A	3.4.120
Terrace	A	A	3.4.130
Gallery	A	A	3.4.140

¹ Not allowed facing Mission Boulevard.

Miscellaneous

Corner Lots must have private frontage located within the Front and Street Side Facade Zone as required in Subsection E.

First story facades for non-residential uses and common areas for residential, must provide minimum 30% glazing with clear glass. See Division 3.3 (Specific to Frontage Types) for further refinement of the glazing requirements by frontage type.

Key

A = Allowed — = Not Allowed

Mission Boulevard - Corridor Center

2.2.060 Mission Boulevard - Corridor Center (MB-CC)



A. Intent

A transit-oriented mixed-use, urban center with high-intensity, residential and non-residential uses located within close proximity to BART, to facilitate access to BART by biking or walking.

General note: The image above is intended to provide a brief overview of this zone and is illustrative only.

B. Density

Minimum ¹	35 du/ac
TOD Overlay 1	75 du/ac
TOD Overlay 2	40 du/ac
Maximum	55 du/ac , 75 du/ac with Major Site Plan Review
TOD Overlay 1	100 du/ac
TOD Overlay 2	65 du/ac, 100 du/ac with Major Site Plan Review

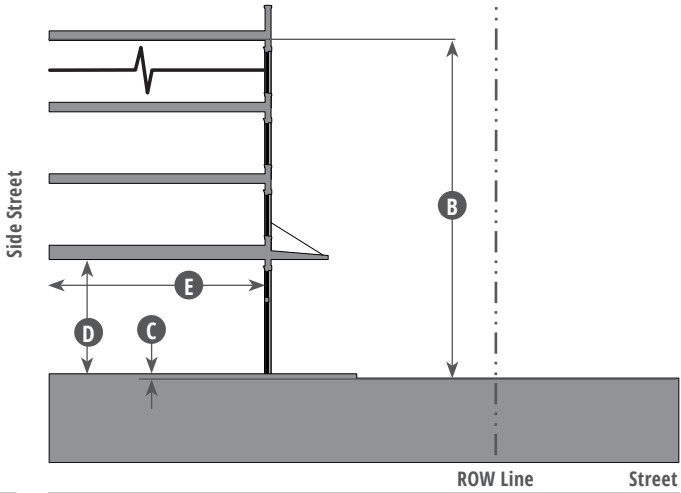
¹ Reduction in minimum density allowed subject to Major Site Plan Review.



Key

--- ROW / Lot Line

C. Lot Occupation		
Lot Width	18' min.	A
Lot Coverage	90% max.	
Landscaping	10% of lot area, min.	
Open Space	100 sf min. per unit ¹	
¹ Minimum 50 sf must be provided as private usable open space for minimum 50% of the units and minimum 50 sf per unit must be provided as common usable open space. The remaining open space requirement may be met by a combination of private or common usable open space.		



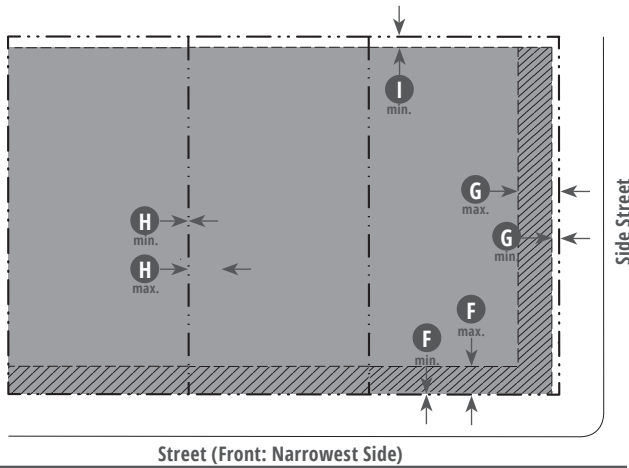
Key

--- ROW Line
--- Additional Stories in Place

D. Building Form		
Height		
Main Building		B
Stories	5 max., 6 max. with Major Site Plan Review	
Overall	68' max., 79' max. with Major Site Plan Review	
Accessory Structure(s)		
Stories	2 max.	
Ground Floor Finish Level		C
Residential	12" min. ¹	
Non-Residential	3' max.	
Ground Floor Ceiling		D
Non-Residential	14' min.	
Other		
Accessory Structure(s)		
Square Feet	440 max.	
Building Depth, Ground-Floor	30' min.	E

¹ The ground floor finish level of buildings facing a public ROW must be 12 inches above grade, unless otherwise adjusted to comply with ADA.

Height limits do not apply to chimneys, architectural features, parapets, solar energy systems, or necessary mechanical equipment, provided that such features are limited to the minimum height necessary for their proper functioning.

**Key**

- ROW / Lot Line ■ Buildable Area
 --- Building Setback Line ▨ Facade Zone

E. Building Placement**Setback (Distance from ROW / Lot Line)****Front (Facade Zone)**

Main Building ^{1, 2}	0' min.; 12' max.	F
Accessory Structure(s)	Must be within 40' from rear lot line	

Street Side (Facade Zone)

Main Building ¹	2' min.; 12' max.	G
Accessory Structure(s)	2' min.	

Side

Main Building	0' min. 12' max.	H
Accessory Structure(s)	0' min.	

Rear

Main Building and Accessory Structure(s)	3' min.	I
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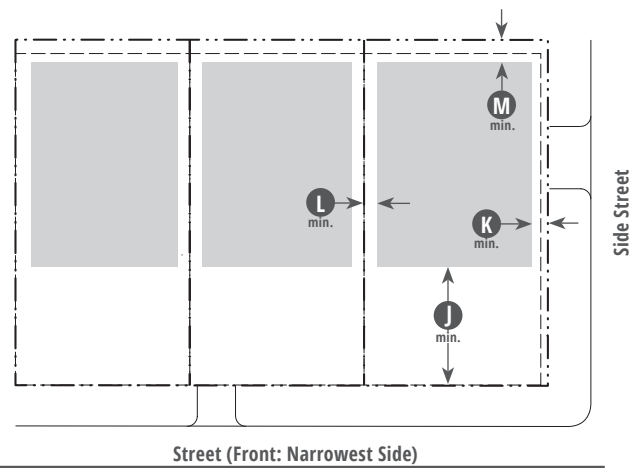
¹ Or average front setback of adjacent lots, whichever is less. For corner lots, average of minimum required and front setback of adjacent lot, whichever is less.

² A larger setback may be required to accommodate required frontage or other planned improvements.

Building within Facade Zone (Percent of Net Lot Width)

Front ³	80% min.
Street Side	60% min.

³ Required only when facing a public ROW. May be reduced as needed to comply with minimum fire access requirements.

**Key**

- ROW / Lot Line ■ Parking Area
 --- Building Setback Line

E. Building Placement (continued)**Miscellaneous**

Building facade must be parallel to ROW/Lot Line.

Minimum one primary pedestrian entrance from primary street located within front facade zone.

F. Parking and Driveways**Parking Requirements**

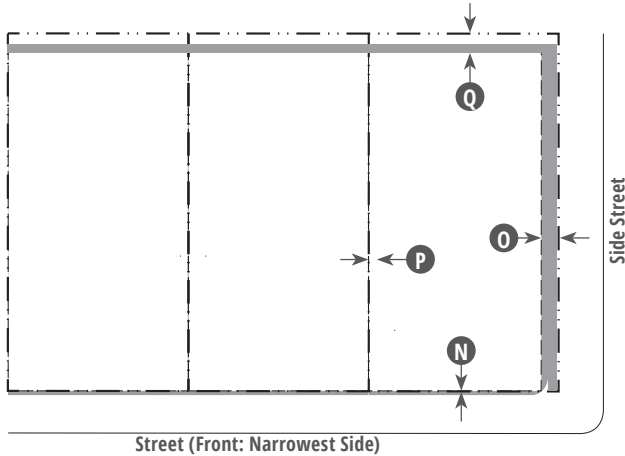
See [Section 3.2.050 \(Parking and Loading\)](#)

Parking Location (Distance from ROW / Lot Line)

Front Setback	40' min.	J
Street Side Setback	5' min.	K
Side Setback	5' min.	L
Rear Setback	5' min.	M

Miscellaneous

Pedestrian exits from all parking lots, garages, and Parking Structures shall be directly to a public ROW (i.e., not directly into a building) except underground levels which may be exited by pedestrians directly into a building.



Key

- ROW / Lot Line ■ Encroachment Area
--- Building Setback Line

G. Projections into Required Yards				
Encroachment Type	N	O	P	Q
	Front	St. Side	Side	Rear
Frontage ¹	May encroach up to the property line			
Steps or Ramp to Building Entrance	May encroach up to the property line			
Architectural Features	3' max.	3' max.	—	3' max.

Encroachments at grade are not allowed within a street ROW, alley ROW, or across a lot line.

¹ See Division 3.3 (Specific to Frontage Types) for further refinement of the allowed encroachments for frontage elements.

H. Frontages			
Private Frontage Type	Front	St. Side	Standards
Stoop	A	A	3.4.080
Forecourt	A	A	3.4.090
Dooryard	A	A	3.4.100
Maker Shopfront	-	A	3.4.110
Shopfront	A	A	3.4.120
Terrace	A	A	3.4.130
Gallery	A	A	3.4.140

Miscellaneous	
Corner Lots must have private frontage located within the Front and Street Side Facade Zone as required in Subsection E.	
First story facades for non-residential uses and common areas for residential, must provide minimum 30% glazing with clear glass. See Division 3.3 (Specific to Frontage Types) for further refinement of the glazing requirements by frontage type.	

Key A = Allowed — = Not Allowed

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Division 2.3: Use Tables

Sections

2.3.010	Allowed Land Uses and Permit Requirements.	2-23
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2.3.010 Allowed Land Uses and Permit Requirements

- A. Table 2.3.010.A (Allowed Uses and Permit Requirements), sets the land use regulations for the Mission Boulevard Corridor Zones by letter designation as follows unless a use or activity is prohibited or subject to a higher level of permit pursuant to other parts of this Code or other applicable regulations:
- “P” designates permitted uses.
 - “A” designates uses that are permitted after review and approval of an Administrative Use Permit.
 - “C” designates uses that are permitted after review and approval of a Conditional Use Permit.
 - “P/C” designates uses that are permitted or permitted after review and approval of a Conditional Use Permit under certain circumstances.
 - “-” designates uses that are not allowed.
- B. A project which includes two or more categories of land use in the same building or on the same site is subject to the highest permit level required for any individual use or single component of the project.
- C. Land uses are defined in [Section 10-1.3500 \(Definitions\)](#), of the Hayward Zoning Code. In cases where a specific land use or activity is not defined, the Planning Director may make a determination in compliance with [Section 10-1.2835 \(District Uses Not Specified\)](#) of the Hayward Zoning Code.

Table 2.3.010.A: Allowed Uses and Permit Requirements					
Land Use	MB-CN	MB-NN	MB-CC	MB-CS ¹	Additional Regulations
Residential					
Emergency Homeless Shelter	P/C ^{2,3}	P/C ^{2,3}	-	-	Limited to parcels abutting Mission Boulevard
Live-Work	P/C ^{2,3}	P/C ^{2,3}	-	-	
Multiple Family Dwelling(s)	P/C ^{2,3}	P/C ^{2,3}	P/C ^{2,3}	-	
Single-Family Dwelling ⁴	P	P	P	-	
Single Room Occupancy (SRO)	-	-	C	-	
Townhouse Dwelling	P/C ^{2,3}	P/C ^{2,3}	P/C ^{2,3}	-	
Lodging					
Hotel	A	A	A	-	
Office					
Architectural Service, Drafting Service, Engineering Service	P	P	P	-	
Banks ⁵	P	P	P	-	

Table 2.3.010.A: Allowed Uses and Permit Requirements					
Land Use	MB-CN	MB-NN	MB-CC	MB-CS ¹	Additional Regulations
Financial Institutions ⁵	P	P	P	-	
Medical/Dental Laboratory	A	A	A	C	
Office	P	P	P	-	
Retail/Commercial					
Alcohol Sales	Refer to Section 10-1.2750 et seq. of the Hayward Zoning Code for Alcoholic Beverage Outlets Regulations				
Animal Hospital	A	A	A	-	
Appliance Repair Shop	P	P	A	-	
Appliance Store	P	P	A	-	
Bar, Cocktail Lounge	C	C	C	-	
Carpet/Draper Store	P	P	A	-	
Convenience Market	P	P	P	-	If use includes alcohol sales, see also Section 10-1.2750 et seq. of the Hayward Zoning Code for Alcoholic Beverage Outlets Regulations
Copying or Reproduction Facility	P	P	P	-	
Equipment Rental Service	A	A	A	-	
Furniture Store	P	P	A	-	
Health Club	A	A	A	C	
Kennel	A	A	A	-	
Media Production	A	A	P	-	
Newspaper Printing Facility	A	A	P	-	
Nursery (Plants)	P	P	P	-	
Personal Services	P	P	P	-	
Physical Fitness Studio	P	P	P	C	
Publishing Facility	A	A	P	-	
Recreational Facility	A	A	A	C	
Small Recycling Collection Facilities/Recycling Collection Area	A	A	A	-	See Hayward Zoning Code Subsection 10-1.2735.j, Small Recycling Collection Facilities and Unattended Collection Boxes
Restaurant, Including Micro-Breweries as accessory to the Restaurant and standalone Catering Facilities.	P	P	P	-	See Hayward Zoning Code Section 10-1.2750 et seq. for alcohol regulations
Retail	P	P	P	C	
Small Motion Picture Theater	A	A	A	C	
Large Motion Picture Theater	C	C	C	C	
Live Performance Theater	A	A	A	C	

Table 2.3.010.A: Allowed Uses and Permit Requirements					
Land Use	MB-CN	MB-NN	MB-CC	MB-CS ¹	Additional Regulations
Civic					
Cultural or Meeting Facilities	A	A	A	C	
Public Park/Public Gathering	P	P	P	P	
Parking Lots and Structures	A	A	A	C	
Public Agency Facilities	P	P	P	P	
Religious Facility	A	A	A	C	
Other: Agriculture					
Community Garden	P	P	P	P	
Other: Automotive					
Automobile Repair (Minor)	A	A	A	-	
Automobile Repair (Major)	C	C	C	-	
Automobile Sales ⁶	P/C	P/C	P/C	-	
Drive-In Establishment	C	C	C	-	
Automobile Service Station	C	C	C	-	
Taxi Company	A	A	A	-	
Other: Civil Support					
Hospital	A	A	A	C	
Mortuary	A	A	A	C	
Other: Education					
Day Care Center	P	P	P	C	
Day Care Home	P	P	-	-	
Educational Facilities ≤ 2,000 GFA	P	P	P	C	
Educational Facilities > 2,000 GFA	A	A	A	C	
Industrial/Vocational Trade School	A	A	A	C	
Other: Light Industrial					
Micro-Brewery	C	C	C	-	See Hayward Zoning Code Section 10-1.2750 et seq. for alcohol regulations
Custom Manufacturing	P	P	P	-	
Distillery	C	C	C	-	See Hayward Zoning Code Section 10-1.2750 et seq. for alcohol regulations
Light Manufacturing	AUP	AUP	-	-	
Research and Development	P	P	-	-	
Other Use					
Animal Hospital	A	A	A	-	
Commercial Amusement Facility	A	A	A	-	

Table 2.3.010.A: Allowed Uses and Permit Requirements					
Land Use	MB-CN	MB-NN	MB-CC	MB-CS ¹	Additional Regulations
Food Vendor	P	P	P	-	See Hayward Zoning Code Subsection 10-1.2735.m, Food Vendor Permit
Temporary Uses	See Section 3.5.020, Temporary Uses				
Specific Limitations:					
1. When the MB-CS Zone is applied to privately owned property, the use and building existing at the time this Code comes into effect may continue until the site is redeveloped or becomes under public ownership.					
2. For properties located within Commercial Overlay Zone 1, as shown in the Regulating Plan, residential units are not permitted on the ground floor. Uses associated with the residential use, such as leasing office, community space, amenities, etc., are allowed on the ground floor.					
3. For properties located within Commercial Overlay Zone 2, as shown in the Regulating Plan, residential units are only allowed along the primary street frontage with a conditional use permit.					
4. Single-family dwelling permitted if the lot/parcel has an existing, permitted single-family dwelling that was constructed prior to the effective date of this Code. No new detached single-family dwellings are allowed.					
5. Does not include check cashing, pay loans, or auto title loans.					
6. A Conditional Use Permit is required for automobile sales uses south of Harder Road.					

Article 3: Supplemental to Zones

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Division 3.1 Purpose and Intent

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3.1.010 Purpose and Intent

This Article sets forth supplemental standards for the development of each frontage type, civic space type, and related general standards within zones. These standards supplement the standards for each zone.

3.1.020 Applicability

- A. The standards in this Article apply to all proposed development within Mission Boulevard Corridor Code Area and must be considered in combination with the standards for the applicable zone in [Division 2.2 \(Mission Boulevard Corridor Zones\)](#).
- B. In the event of any conflict between the standards of this Article and the standards in another Article of this Chapter or any standard in the Municipal Code, the standards in this Article supersede, unless stated otherwise.

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Division 3.2: General Standards

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3.2.010 Architectural Standards

- A. **Facade Articulation.** Projects shall be designed consistent with the following design objectives:
 - 1. Street facing elevations shall be articulated through variation in wall plane, variation in wall height, and roofs located at different levels in order to enhance visual interest of the elevation.
 - 2. Massing elements shall be properly scaled and in proportion to one another in order to provide a balance between horizontal and vertical emphasis.
 - 3. Minimize blank wall planes on all elevations through the use of wall plane variation, trim or reveals, entry and window openings, and/or varying colors and materials.
- B. **Materials.**
 - 1. Building wall materials may be horizontally combined on each facade with the visually heavier/denser material located below the lighter material.
 - 2. Galleries, balconies, and porches shall be of a material compatible with the architectural materials of the main building.
- C. **Openings.** All openings, including porches, galleries, and windows, with the exception of shopfronts, shall be square or vertical in proportion.
- D. **Roofs.** Flat roofs shall be enclosed by parapets a minimum of 42 inches high, or as required to conceal mechanical equipment to the satisfaction of the Review Authority.

3.2.020 Mechanical and Electrical Equipment

All exterior mechanical and electrical equipment shall be screened or incorporated into the design of buildings so as not to be visible from public rights-of-way. Equipment to be screened includes, but is not limited to, all roof-mounted equipment, air conditioners, emergency generators, heaters, utility meters, cable equipment, telephone entry boxes, backflow preventions, irrigation control valves, electrical transformers, pull boxes, and all ducting for air conditioning, heating, and blower systems. Screening materials shall be consistent with the exterior colors and materials of the building. Exceptions may be granted by the Planning Director or other approving authority where screening is infeasible due to existing development or health and safety or utility requirements.

3.2.030 Exterior and Parking Lot Lighting

- A. Exterior lighting and parking lot lighting shall be provided and be designed by a qualified lighting designer and erected and maintained so that light is confined to the property and will not cast direct light or glare upon adjacent properties or public rights-of-way. Such lighting shall also be designed such that it is decorative and in keeping with the design of the development.
- B. **Safety and Security.** Common areas, parking lots, entries, and areas adjacent to walkways, bike paths, and other connections shall be well lit and provide for visual surveillance, especially at points of entry. Avoid dense hedges, dark corners, and other elements or site layouts that can obstruct visibility or result single point of entry and exit.

3.2.040 Fences and Walls

- A. **Height.** Fences and walls may be constructed to a height of six (6) feet in any side or rear setback, and to a height of four (4) feet in any portion of a front or street side setback, except that where the rear or side setback is contiguous to the BART tracks, a flood control channel, or parking lot, a maximum 8-foot-high fence or wall is permitted.
- B. **Materials.**
 - 1. Fences and walls in the front and street side setbacks shall be painted, mural-covered, vine-covered, or of a high-quality or decorative material compatible with the architectural materials of the main building.
 - 2. Anti-graffiti coating shall be required for all solid walls, decorative or otherwise, unless covered with a mural or vines.
 - 3. Other fences may be of wood board or decorative metal.
 - 4. Barb wire, razor wire, or electric fences are prohibited.
 - 5. Fences and walls above 3 feet are prohibited in the Vision Triangle area.
- C. **Fence Types.** [Table A \(Fences and Walls by Zone\)](#) shows five common types of fences and walls and their appropriateness within the Mission Boulevard Corridor Zones. Only these fences and wall types shall be used in any portion of a front or side yard unless an alternative type, complementary to the design and character of the development, is approved by the Planning Director.

Table 3.2.040.A Fences and Walls by Zone				
Fence Type	MB-CN	MB-NN	MB-CC	Notes
Chain Link Fence	X	X	X	Allowed only within side and rear yard areas that do not front private driveways or public roadways.
Wood Picket Fence	X	X	-	
Iron Picket Fence	X	X	X	
Metal Fence on Concrete Base	X	X	X	The concrete base should be 18"-36" in height.
Brick and Iron Fence	X	X	X	Although brick only is named, other materials such as stone, slate, etc. are also acceptable, with a tie-in to the building material
Brick Wall	X	X	X	

3.2.050 Parking and loading

The parking and loading provisions of Article 2 (Off-Street Parking Regulations) of the Hayward Zoning Code apply except as provided below.

- A. **Required Ratio of Parking Spaces.** There is no requirement for a minimum number of off-street automobile parking spaces.
- B. **Tandem Parking.**
 - 1. Tandem parking may be provided for residential uses when spaces are assigned to the same dwelling unit.
 - 2. Tandem Parking may be provided for nonresidential uses when a valet/attendant is on duty during the hours when the business is open.
- C. **Landscaped Planter.** A landscaped planter at least five feet wide shall be provided between any surface parking area and any property line for the length of the parking area.
- D. **Bicycle Parking.** Bicycle parking shall be provided and located in accordance with the most recent version of Section 5.106.4 of the California Green Building Standards Code (CalGreen) and the following.
 - 1. **Bicycle Parking Requirements.** [Table D, Bicycle Parking Requirements](#), lists the amount of short-term and long-term bicycle parking to be provided.

Table 3.2.050.B: Bicycle Parking Requirements			
Use Type	MB-CN	MB-NN	MB-CC
Short-Term Parking			
Residential	1 space per 10 units, minimum 2 spaces	1 space per 10 units, minimum 2 spaces	1 space per 10 units, minimum 2 spaces
Office	1 space per 15,000 square feet, minimum 2 spaces	1 space per 15,000 square feet, minimum 2 spaces	1 space per 15,000 square feet, minimum 2 spaces
Retail	1 space per 5,000 square feet, minimum 2 spaces	1 space per 5,000 square feet, minimum 2 spaces	1 space per 5,000 square feet, minimum 2 spaces

Table 3.2.050.B: Bicycle Parking Requirements			
Use Type	MB-CN	MB-NN	MB-CC
Civic, Non-Assembly	1 space per 15,000 square feet, minimum 2 spaces	1 space per 15,000 square feet, minimum 2 spaces	1 space per 15,000 square feet, minimum 2 spaces
Civic, Assembly	1 space per 15,000 square feet, minimum 2 spaces	1 space per 15,000 square feet, minimum 2 spaces	1 space per 15,000 square feet, minimum 2 spaces
School, University	1 space per 10 students, minimum 2 spaces	1 space per 10 students, minimum 2 spaces	1 space per 20 students, minimum 2 spaces
Long-Term Parking			
Residential	1 space per 4 units, minimum 2 spaces	1 space per 4 units, minimum 2 spaces	1 space per 4 units, minimum 2 spaces
Office	1 space per 10,000 square feet, minimum 2 spaces	1 space per 10,000 square feet, minimum 2 spaces	1 space per 10,000 square feet, minimum 2 spaces
Retail	1 space per 10,000 square feet, minimum 2 spaces	1 space per 10,000 square feet, minimum 2 spaces	1 space per 10,000 square feet, minimum 2 spaces
Civic, Non-Assembly	1 space per 15 employees, minimum 2 spaces	1 space per 15 employees, minimum 2 spaces	1 space per 15 employees, minimum 2 spaces
Civic, Assembly	1 space per 15 employees, minimum 2 spaces	1 space per 15 employees, minimum 2 spaces	1 space per 15 employees, minimum 2 spaces
School, University	1 space per 10 students, minimum 2 spaces	1 space per 10 students, minimum 2 spaces	1 space per 10 students, minimum 2 spaces

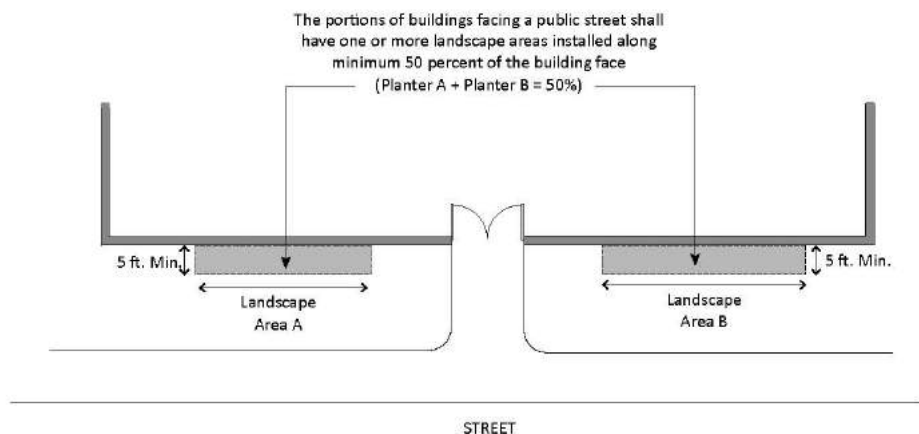
2. **Bicycle Parking Standards.** Bicycle spaces must be provided in compliance with the following standards:
 - a. Long-term bicycle parking must consist of one of the following:
 - (i) Covered, lockable enclosures with permanently anchored racks for bicycles;
 - (ii) Lockable bicycle rooms with permanently anchored racks;
 - (iii) Lockable, permanently anchored bicycle lockers; or
 - (iv) For residential uses, private garages or other private, lockable storage space accessible from the outside.
 - (v) Lockable enclosure shall be located in compliance with CPTED principles.
 - b. Short-term bicycle parking must include racks to which the bicycle can be locked;
 - c. Lockers and racks must be securely anchored to the pavement or a structure;
 - d. Racks must be designed and installed to allow two points of contact with the frame and allow the frame and one or both wheels to be secured;
 - e. Areas containing bicycle spaces must be surfaced with impervious surfaces such as concrete or pavers. Pervious pavements or gravel may be used where appropriate as determined by the Planning Director or City Engineer;
 - f. When located within a parking area, curbs, fences, planter areas, bumpers, or similar barriers must be installed and maintained for the mutual protection

- of bikes, motor vehicles and pedestrians, unless determined by the Planning Director to be unnecessary; and
- g. Bicycle parking must be placed in a convenient, highly-visible, active, and well-lit location within 100 feet of the entrance of the use the bicycle parking is serving. At the discretion of the Planning Director, required bicycle parking may be provided within the public right-of-way.
3. **Bicycle Parking Space Dimensions.** All bicycle parking racks must meet the following minimum dimensions:
 - a. Each bicycle parking space must include a minimum area of 72 inches in length and 24 inches in width that is clear of obstructions;
 - b. No part of the rack may be located closer than 30 inches to a wall or other obstruction;
 - c. The front or back of the rack must be located no less than 48 inches from a sidewalk or pedestrian way; and
 - d. A minimum of 30 inches must be provided between adjoining racks.
 4. **Bicycle Parking Modifications.** If providing required bicycle parking spaces on-site is infeasible due to space or site specific constraints, the Planning Director may allow placement of bicycle parking off-site at a nearby location, which may include the public right-of-way.
 5. **Location.** Bicycle racks and/or bicycle lockers shall be adjacent to building entries where they are clearly visible in order to enhance safety and security.

3.2.060 Landscaping

A. MB-CN and MB-NN Zones.

1. All setbacks shall be landscaped except for permitted driveways and walkways.
2. A minimum of one tree per 30 feet of frontage shall be planted within the front setback, (e.g. A lot with 120 feet of frontage requires 4 trees total). Trees should be a single species to match the species of street trees along the project frontage.
3. Portions of buildings facing a public street shall have one or more landscaped areas with a minimum five-foot-wide landscaped area along a minimum 50 percent of the building face.



- B. **MB-CC Zone.** All setbacks shall be landscaped except for permitted driveways, walkways, or areas paved to match the pavement of the adjacent public frontage.

3.2.070 Air Quality Mitigation Measures

- A. **Applicability.** The provisions of this Section apply to development within 500 feet of Mission Boulevard, Jackson Street, or any stationary source which exceeds the applicable BAAQMD individual source or cumulative threshold.
- B. **Requirements.** All development projects that will be occupied by sensitive receptors shall incorporate indoor and outdoor air quality features pursuant to subsections C, Indoor Air Quality, and D, Outdoor Air Quality, below, or prepare a Health Risk Assessment (HRA) pursuant to subsection C.
 - 1. Sensitive receptors include, but are not limited to, residences, schools and school yards, parks and play grounds, daycare centers, nursing homes, and medical facilities. Residences may include, but are not limited to, houses, apartments, and senior living complexes. Medical facilities may include, but are not limited to, hospitals, convalescent homes, and health clinics. Playgrounds may be, but are not limited to, play areas associated with parks or community centers.
- C. **Indoor Air Quality.**
 - 1. Existing or new buildings to be occupied by sensitive receptors, shall include and maintain in good working order a central heating and ventilation (HVAC) system or other air intake system in the building, or in each individual unit, that meets or exceeds an efficiency standard of MERV 13 or equivalent. The HVAC system shall include installation of a high efficiency filter and/or carbon filter to filter particulates and other chemical matter from entering the building.
 - 2. Project applicants shall maintain, repair and/or replace HV system on an ongoing and as needed basis according to manufacturer specifications. For developments which are leased, sold or otherwise not maintained by the initial project developer, an operation and maintenance manual for the HVAC system shall be prepared. The manual shall include the operating instructions and the maintenance and replacement schedule. The Planning Director shall identify an appropriate filing location for the manual, which may include, but is not limited to, the project conditions, covenants and restrictions (CC&Rs), County recorder, or City development permit file.
 - 3. The HVAC system or other air intake system required above, shall be submitted to the Planning Director for review and action prior to the issuance of a demolition, grading, or building permit.
- D. **Outdoor Air Quality.** To the maximum extent practicable, individual and common exterior open space, including playgrounds, patios, and decks, shall either be shielded from the source of air pollution by buildings or otherwise buffered to further reduce air pollution for project occupants.
- E. **Health Risk Assessment.** As an alternative to the indoor and outdoor air quality requirements established in subsections A and B above, a Health Risk Assessment (HRA) may be prepared by a qualified air quality consultant in accordance with California Air Resources Board (CARB) and Office of Environmental Health and Hazard Assessment requirements.

1. The HRA shall demonstrate that indoor and outdoor air quality can be maintained within currently applicable health risk standards of the Bay Area Air Quality Management District.
2. The HRA shall be submitted to the Development Services Department for review and approval. The Development Services Department may require, at the applicant's sole expense, an independent review of the HRA by a qualified consultant.
3. If the HRA concludes that the air quality risks from nearby sources are at or below acceptable levels, then air quality mitigation measures are not required.
4. The applicant shall implement the approved HRA recommendations, if any.

3.2.080 Visitability Standards

There shall be provided at least one zero-step entrance to each building from an accessible path at the front, side, or rear of each building.

3.2.090 Sustainability Plan

All applications for new development or redevelopment of a site in the Code Area shall include a Sustainability Plan that incorporates best practices of sustainability for the proposed operations and site-specific improvements. The Plan may include, but not limited to, recommendations for energy conservation and efficiency, green infrastructure, water conservation, reductions in air emissions, use of toxic materials, and recycling.

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Division 3.3 Specific to Frontage Types

Sections

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3.3.010 Purpose

This Division sets forth the standards for each private frontage within the Mission Boulevard Corridor Code Area. Private frontages are the components of a building that provide an important transition and interface between the public realm (street and sidewalk) and the private realm (yard or building). These standards supplement the standards for each zone in which the frontage types are allowed and are intended to ensure development that establishes the character and scale of Mission Boulevard and the adjacent walkable neighborhoods.

3.3.020 Applicability

The standards in this Division apply to all proposed development and renovations along front and street side facades within the Mission Boulevard Corridor Code Area, and must be considered in combination with the standards for the applicable zone and in the rest of this Article.

3.3.030 Overview

Table A (Frontage Types Overview) provides a list of the allowed frontage types by zone. The names of the frontage types indicate their particular configuration or function and are not intended to limit uses within the associated building. For example, a porch may be used by non-residential uses such as a restaurant or office as allowed by the **z**one.

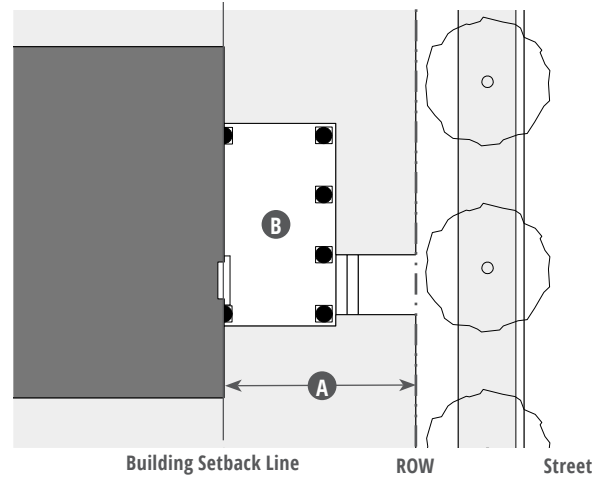
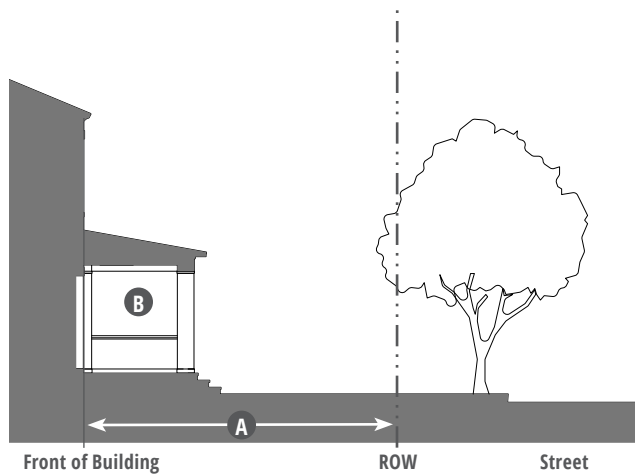
Table 3.3.030.A Frontage Types Overview				
FRONTAGE TYPE	SECTION	ZONES		
Front Yard	3.3.050	MB-CN	MB-NN	MB-CC
Porch: Projecting	3.3.060	MB-CN	MB-NN	MB-CC
Porch: Engaged	3.3.070	MB-CN	MB-NN	MB-CC
Stoop	3.3.080	MB-CN	MB-NN	MB-CC
Forecourt	3.3.090	MB-CN	MB-NN	MB-CC
Dooryard	3.3.100	MB-CN	MB-NN	MB-CC
Maker Shopfront	3.3.110	MB-CN	MB-NN	MB-CC
Shopfront	3.3.120	MB-CN	MB-NN	MB-CC
Terrace	3.3.130	MB-CN	MB-NN	MB-CC
Gallery	3.3.140	MB-CN	MB-NN	MB-CC

Key Z=Zone **z** Allowed **z** Not Allowed

3.3.040 General to Private Frontages

- Each building must have at least one frontage type for each street frontage.
- Each building may have multiple frontage types in compliance with the allowed types in the **z**one.
- Frontage types not listed in the applicable zone standards are not allowed in that zone.

3.3.050 Front Yard



Key

---- ROW / Lot Line — Building Setback Line

A. Description

The main facade of the building has a planted setback from the frontage line providing a buffer from the street. The yard may be fenced or unfenced to be visually continuous with adjacent yards, supporting a landscape that generates an open and green streetscape.

MB-CN

MB-NN

MB-CC

B. Size/Dimensions

Depth must comply with Subsection E (Building Placement) of the Zone standards.

A

C. Miscellaneous

Fences are allowed between front yards or between the sidewalk and front yard.

Front Yard Frontage may be combined with Porch (see Sections 3.3.060 and 3.3.070) or Stoop (see Section 3.3.080). The Front Yard frontage type standards control in case of conflict.

B



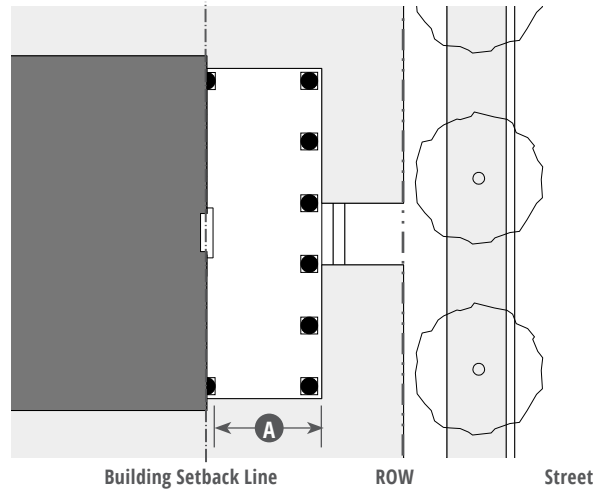
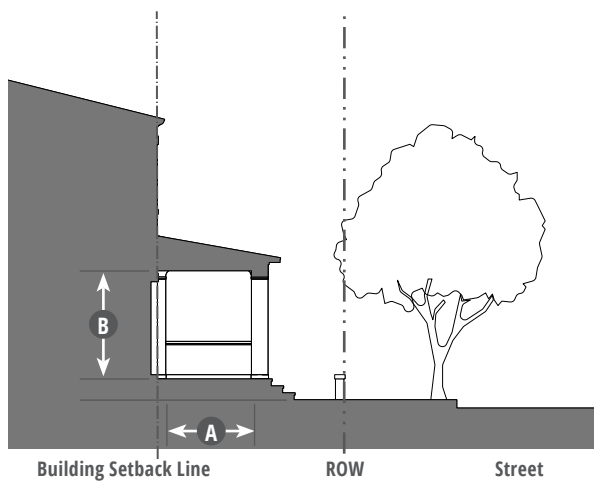
Front yard with landscaping



Small Front Yard with landscaping to help accent and define the space.

General Note: Photos on this page are illustrative, not regulatory.

3.3.060 Porch: Projecting



Key

----- ROW / Lot Line ----- Building Setback Line

A. Description

The main facade of the building is setback from the frontage line. The resulting front yard is typically small and can be defined by a fence or hedge to spatially maintain the edge of the street. The porch is open on three sides and all habitable space is located behind the building setback line.

MB-CN MB-NN MB-CC

B. Size/Dimensions

Depth, Clear	8' min.	A
Height, Clear	8' min.	B

C. Miscellaneous

Projecting porches must be open on three sides and have a roof.

A porch can encroach into the required setback.



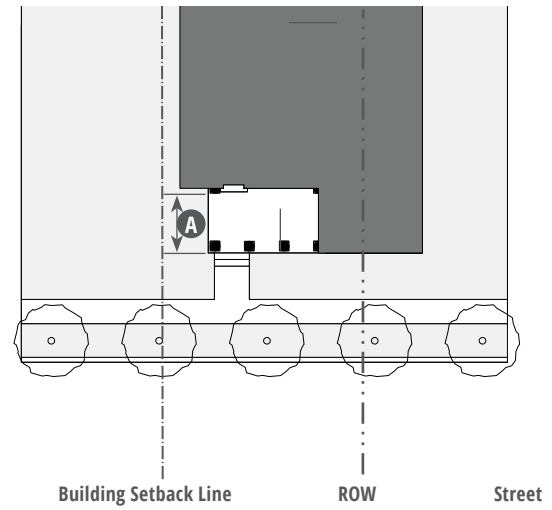
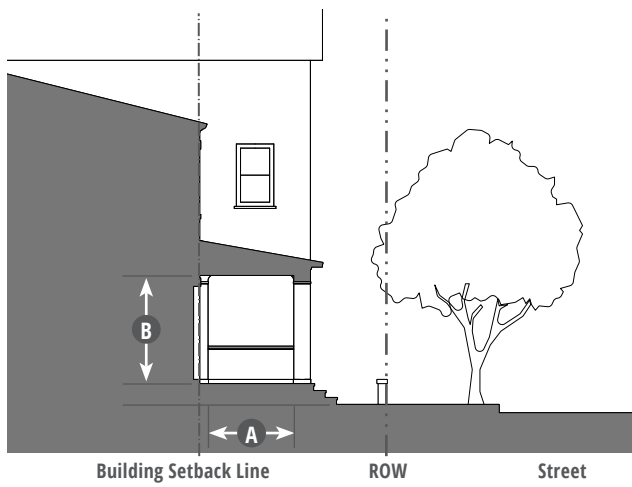
A projecting porch for a house form commercial use.



A projecting porch on the front facade that creates a nice seating space.

General Note: Photos on this page are illustrative, not regulatory.

3.3.070 Porch: Engaged



Key

----- ROW / Lot Line ----- Building Setback Line

A. Description

The main facade of the building is setback from the frontage line. The resulting yard is typically small and can be defined by a fence or hedge to spatially maintain the edge of the street. The porch has two adjacent sides that are engaged to the building while the other two sides are open.

MB-CN **MB-NN** **MB-CC**

B. Size/Dimensions

Depth, Clear	8' min.	A
Height, Clear	8' min.	B

C. Miscellaneous

Engaged porches must be open on two sides and have a roof.

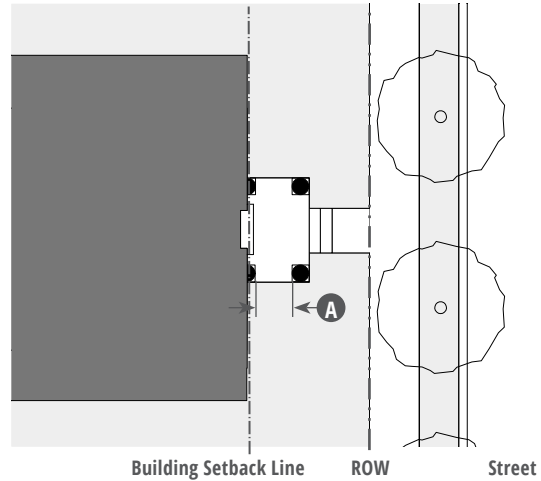
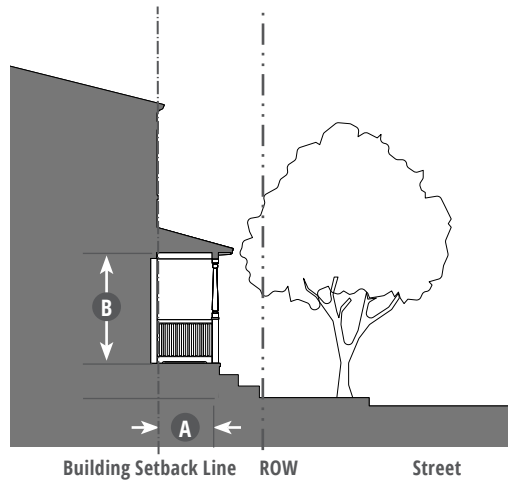
A porch can encroach into the required setback.



Engaged porch to second floor.

General Note: Photos on this page are illustrative, not regulatory.

3.3.080 Stoop



Key

----- ROW / Lot Line ----- Building Setback Line

A. Description

The main facade of the building is near the frontage line and the stoop engages the first floor with the sidewalk. The stoop is elevated above the sidewalk to provide privacy along the sidewalk-facing rooms. Stairs or ramps from the stoop may lead directly to the sidewalk or may be side-accessed. The stoop is appropriate for residential ground floor uses.

MB-CN MB-NN MB-CC

B. Size/Dimensions

Depth, Clear	5' min.	A
Height, Clear	8' min.	B

C. Miscellaneous

Stairs may be perpendicular or parallel to the building facade.

Entry doors are covered or recessed to provide shelter from the elements.

All entry doors must face the street.



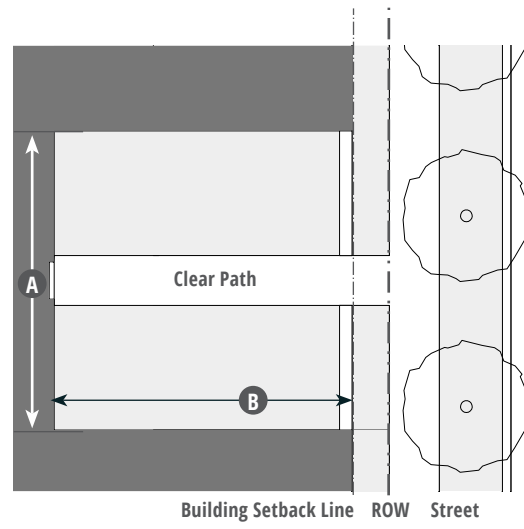
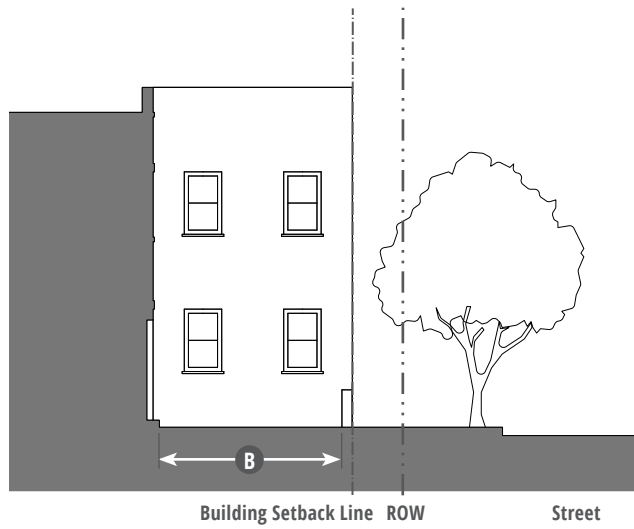
Stoops define the entries to this Rowhouse building while elevating the ground floor from the street level.



Stoop with paired entries to dwelling portion of Live/Work units.

General Note: Photos on this page are illustrative, not regulatory.

3.3.090 Forecourt



Key

---- ROW / Lot Line - - - - Building Setback Line

A. Description

The main facade of the building is at or near the frontage line and a small portion of the building is set back, creating a small court and extending the public realm into the lot. The space may be used as an entry court or shared garden space for apartment buildings, or as an additional shopping or restaurant seating area within retail and service areas.

MB-CN

MB-NN

MB-CC

B. Size/Dimensions

Width, Clear 12' min. **A**

Depth, Clear 12' min. **B**

C. Miscellaneous

This type may be allocated in conjunction with other Frontage types

Forecourt may be utilized to group entries at a common elevation.



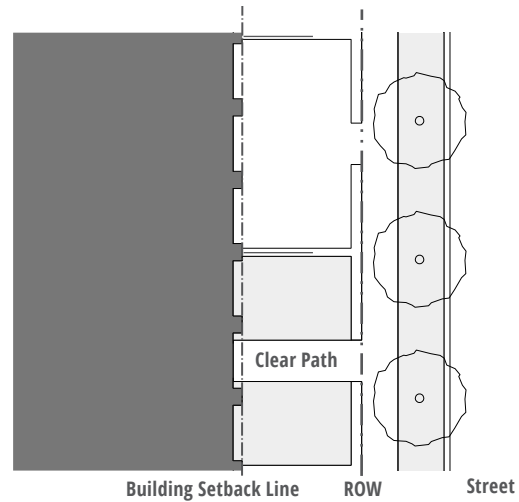
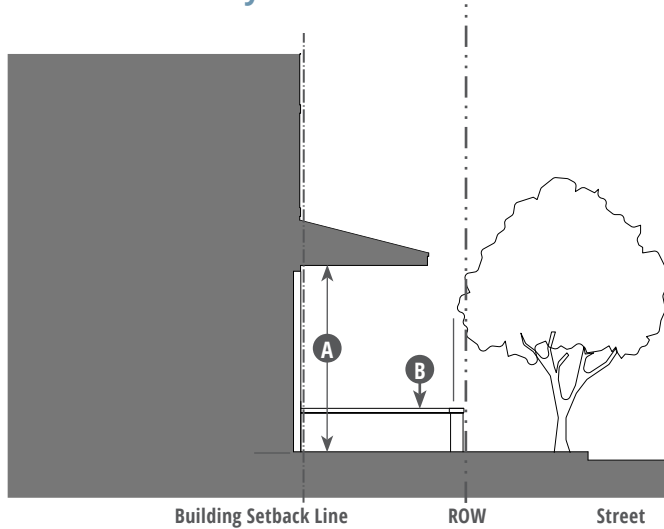
Forecourt visually extends the public realm into this retail and office lot.



Forecourt provides unique entries to dwellings and breaks down the overall massing of the buildings shaping the space.

General Note: Photos on this page are illustrative, not regulatory.

3.3.100 Dooryard



Key

----- ROW / Lot Line

----- Building Setback Line

A. Description

The main facade of the building is set back a small distance and the frontage line is defined by a low wall or hedge, creating a small dooryard. The dooryard may not provide public circulation along a ROW. The dooryard may be raised, sunken, or at grade and may be used for ground-floor residential or non-residential uses.

MB-CN

MB-NN

MB-CC

B. Size/Dimensions

Height, Clear 8' min. **A**

Height of Dooryard Fence/Wall 36" max. **B**

C. Miscellaneous

Each Dooryard must provide access to only one ground floor entry.



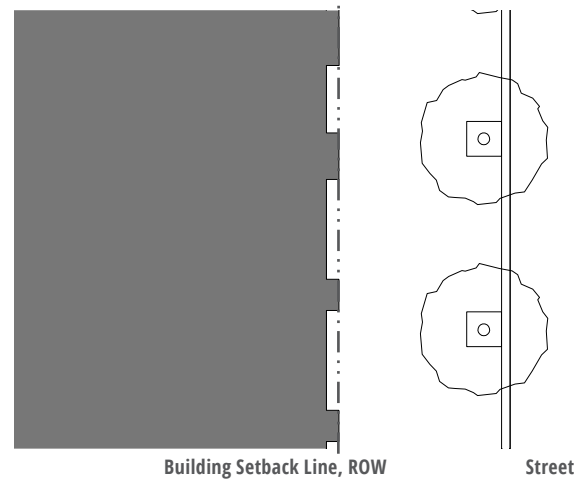
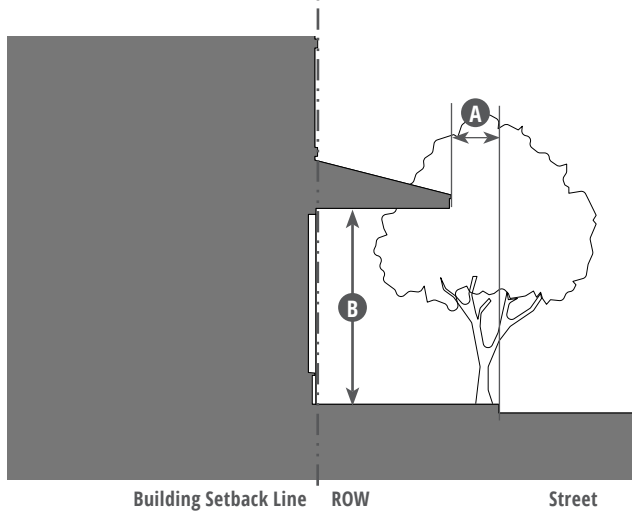
Small dooryards include low fences to provide a visual transition from the public sidewalk.



A series of small dooryards with small outdoor gardens along the front of each ground floor unit.

General Note: Photos on this page are illustrative, not regulatory.

3.3.110 Maker Shopfront



Key

----- ROW / Lot Line - - - - - Building Setback Line

A. Description

The main facade of the building is at or near the frontage line with an at-grade or elevated entrance from the sidewalk. The type is intended for industrial artisan businesses to show their activity to people passing by on the sidewalk as well as for retail sales of products made on-site. The type includes a decorative roll-down or sliding door, may include glazing and an awning that overlaps the sidewalk and may be used in conjunction with other frontage types allowed in the zone.

MB-CN

MB-NN

MB-CC

B. Size/Dimensions

Depth of Recessed Entries 5' max.

C. Awning

Setback from Curb 2' min. **A**

Height, Clear 8' min. **B**

D. Miscellaneous

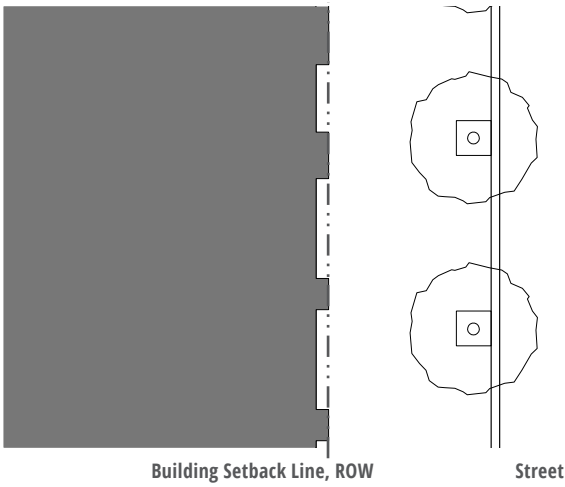
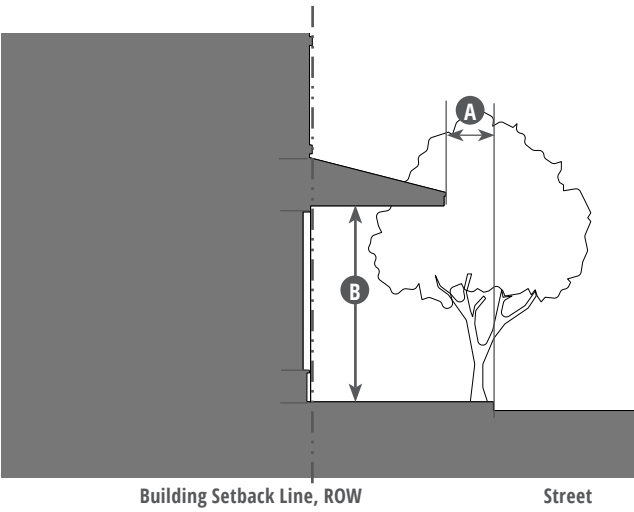
Doors may be recessed when main facade is at the building setback line.



Maker Shopfront with double doors for each entry.

General Note: Photos on this page are illustrative, not regulatory.

3.3.120 Shopfront



Key
---- ROW / Lot Line - - - - Building Setback Line

A. Description

The main facade of the building is at or near the frontage line with at-grade entrance along the sidewalk. This type is intended for retail use, has substantial glazing between the shopfront base and the ground floor ceiling, and may include an awning that overlaps the sidewalk. This type may be used in conjunction with other frontage types allowed in the zone.

MB-CN MB-NN MB-CC

B. Size/Dimensions

Ground Floor Transparency	70% min.
Shopfront Base	2' max.

C. Awning

Setback from Curb	2' min.	A
Height, Clear	8' min.	B

D. Miscellaneous

Residential windows are not allowed on the ground floor.

Doors may be recessed when main facade is at the building setback line.



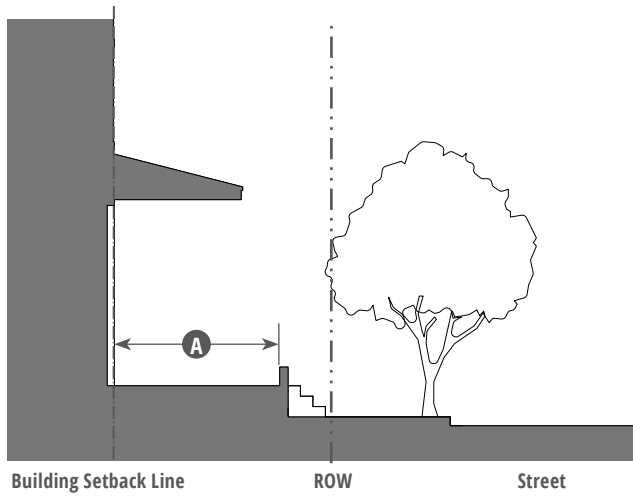
Shopfront frontage along ground floor of multi-story buildings.



Shopfront with recessed entry and simple large windows.

General Note: Photos on this page are illustrative, not regulatory.

3.3.130 Terrace



Key

----- ROW / Lot Line ----- Building Setback Line

A. Description

The main facade is set back from the frontage line with an elevated terrace providing public circulation along the facade. This type can be used to provide at-grade access while accommodating a grade change or buffer residential use from public sidewalk. Frequent steps up to the terrace are necessary to avoid blank sections of walls and to maximize access. This type may also be used in historic industrial areas to mimic historic loading docks.

MB-CN

MB-NN

MB-CC

B. Size/Dimensions

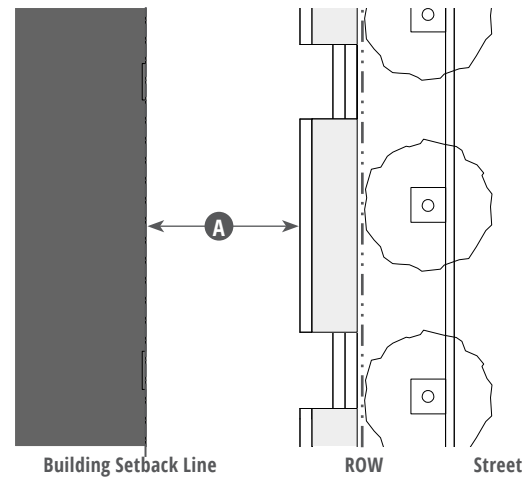
Depth of Terrace 8' min. **A**

C. Miscellaneous

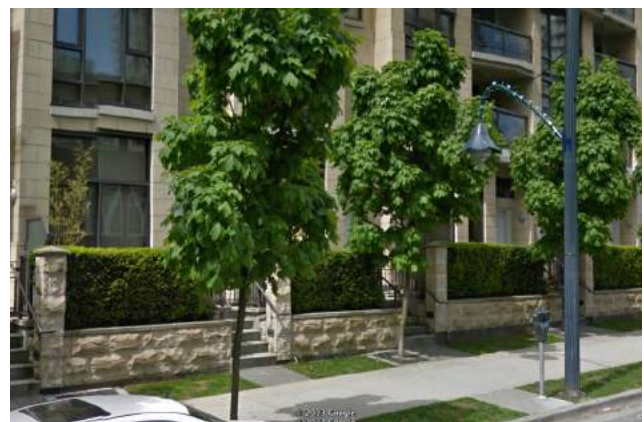
Low walls used as seating are allowed.

Where the zone requires the ground floor to be flush with the sidewalk, the terrace is considered to be the sidewalk.

Terrace may be utilized to group entries at a common elevation.



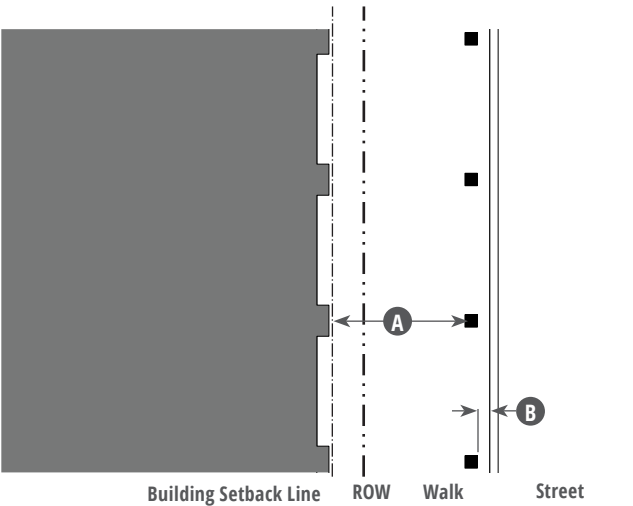
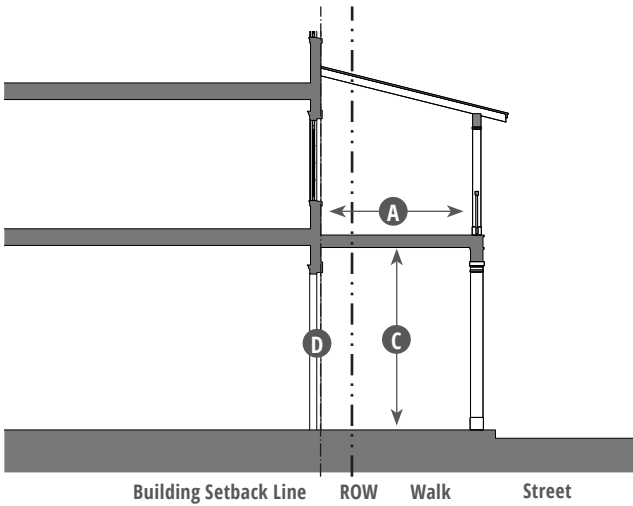
Terrace accommodates a change in grade with low walls for seating while keeping visual connection with sidewalk.



One terrace spans across several ground floor townhouses with individual entries separated by landscaping.

General Note: Photos on this page are illustrative, not regulatory.

3.3.140 Gallery



Key
----- ROW / Lot Line ----- Building Setback Line

A. Description

The main facade of the building is at or near the frontage line with a cantilevered shed or colonnade that may overlap the sidewalk. The gallery may support habitable space on the upper story. This type is intended for buildings with ground-floor commercial or retail uses and may be one or two stories. If the gallery overlaps the right-of-way, an easement is required. Alternatively the lot line may be aligned with the edge of the gallery and curb.

MB-CN MB-NN MB-CC

B. Size/Dimensions

Depth, Clear	10' min.	A
Setback from Curb	2' min.	B
Height, Clear	10' min.	C

C. Miscellaneous

- Galleries must also follow the regulations for the **Shopfront Frontage Type** (See Section 3.3.110). **D**
- Galleries must have a consistent depth.
- Galleries must project over the sidewalk.



One-story gallery.



A two-story gallery fronting a plaza.

General Note: Photos on this page are illustrative, not regulatory.

Division 3.4 Specific to Civic Spaces

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3.4.010 Purpose

This Division sets forth the standards to provide a diverse palette of parks and other publicly accessible civic spaces that are publicly or privately owned throughout the Mission Boulevard Corridor. These standards supplement the standards for each zone in which the civic spaces are allowed and are intended to complement development and reinforce the character and scale of Mission Boulevard and the adjacent walkable neighborhoods. Civic space is a public benefit intended for use by the general community, and is distinct from private or common usable open space typically required as part of a residential project.

3.4.020 Applicability

This Division applies to any project where civic space is required, including Section 3.6.030(E), and is not exclusive to the MB-CS Zone.

3.4.030 Overview

- A. **Table A (Civic Space Type Overview)** provides an overview of the allowed civic space types in the Mission Boulevard Corridor Zones.
- B. The civic spaces specified in **Table A (Civic Space Type Overview)** are allowed as follows:
1. **Allowed by Review.** Allowed if in compliance with the standards of this Division and if approved as part of Site Plan Review, Conditional Use Permit, Major Site Plan Review, or with an Administrative Use Permit.
 2. **Not Allowed.** Civic Space Types not allowed in the zone.

Table 3.4.030.A Civic Space Type Overview					
CIVIC SPACE TYPE	SECTION	ZONES			
Greenway	3.4.050	MB-CN	MB-NN	MB-CC	MB-CS
Green	3.4.060	MB-CN	MB-UN	MB-CC	MB-CS
Square	3.4.070	MB-CN	MB-NN	MB-CC	MB-CS
Pocket Plaza	3.4.080	MB-CN	MB-NN	MB-CC	MB-CS
Playground	3.4.090	MB-CN	MB-NN	MB-CC	MB-CS

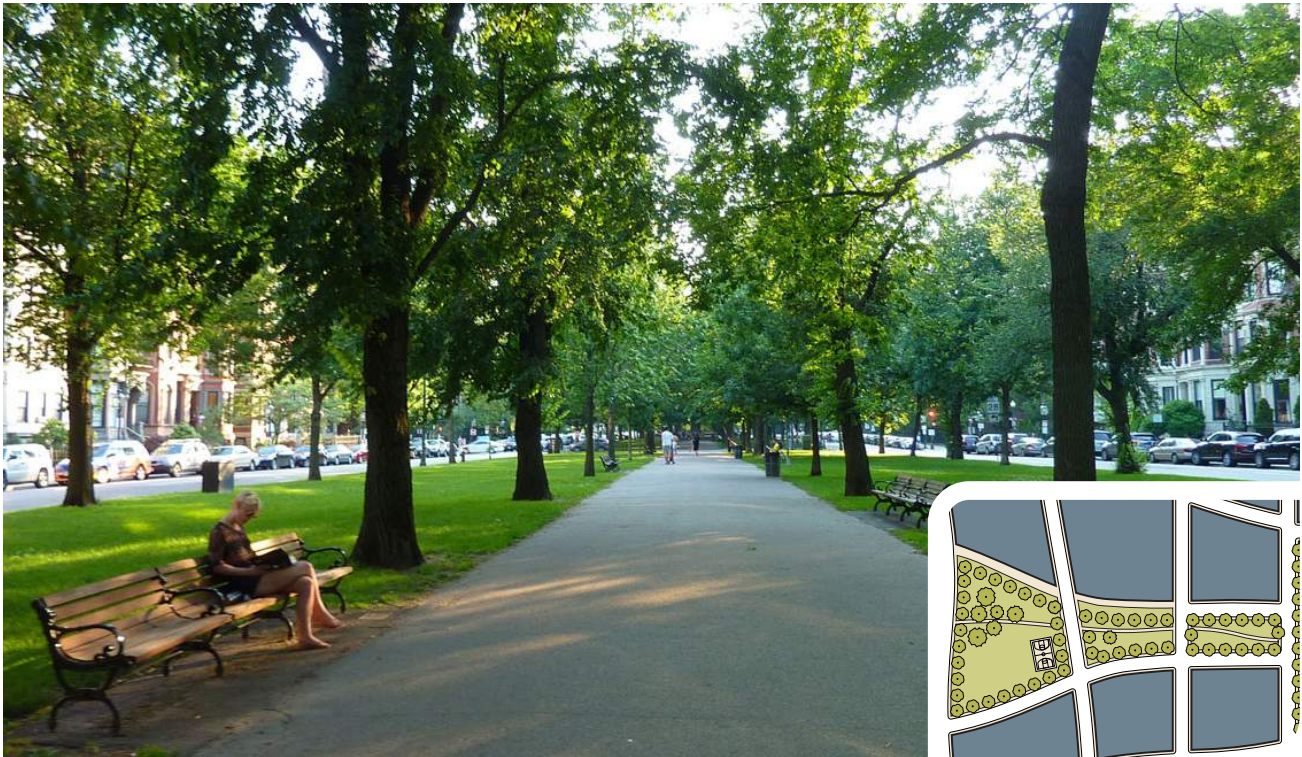
Key Z=Zone **Z** Allowed by Review **Z** Not Allowed

3.4.040 General to All Civic Spaces

- A. **Minimum Dimensions.** Minimum dimension of 25 feet by 25 feet
- B. **Building Frontage.** Buildings on lots adjacent to or across a thoroughfare from a civic space must be oriented to have the building facade face the civic space.
- C. **Public Access.** Public access and visibility from a public street and from on-site areas normally frequented by nearby uses, must be maintained.
- D. **Accessory Structure Standards.** Accessory structures within civic spaces, including, but not limited to, restrooms, open-air pavilions, gazebos, picnic shelters, and outdoor theaters, are subject to the standards of the applicable zone in **Division 2.2 (Mission Boulevard Corridor Zones)**.

- E. **General Characteristics.** The placement of objects within the civic space.
 - 1. **Natural.** Civic spaces with natural character must be designed in a natural manner with no formal arrangement of elements.
 - 2. **Formal.** Civic spaces with a formal character must be designed in a more rigid layout that follows geometric forms and has trees and other elements arranged in formal patterns.
 - 3. **Informal.** Civic spaces with an informal character must be designed to have a mix of formal and natural characteristics.
- F. **Design Criteria.** An area used for civic space must comply with the following:
 - 1. Unless the land includes sensitive natural resources, a civic space area must be readily accessible and usable.
 - 2. The area may be developed using any practical combination of high quality plant and hardscape materials such as bricks, stone, concrete, permeable paving, or tile.
 - 3. The surface of the civic space must be suitable for outdoor activities, such as a lawn or paving for designated activities
 - 4. Locate seating areas and plazas should be located in areas with good solar exposure and wind protection.
 - 5. Civic space shall include benches or other seating. Amenities shall be included that enhance the comfort, aesthetics, or usability of the space, including but not limited to trees and other landscaping, shade structures, drinking fountains, water features, public art, trash receptacles, information kiosks, or performance areas.

3.4.050 Greenway



General Note: Images on this page are illustrative, not regulatory.

MB-CN MB-NN MB-CC MB-CS

Key Z=Zone ☒ Allowed by Review ☐ Not Allowed

A. Description

Linear space for community gathering and strolling for nearby residents and employees, defined by tree-lined streets forming a one-way couplet on its flanks and by the fronting buildings across the street. Greenways can serve an important role as a green connector between destinations. Appropriate elements include community facility < 5,000 gsf., fountains, and benches.

B. General Character

Formal or informal

Hardscape or natural path

Spatially defined by tree-lined streets and adjacent buildings

C. Size and Location

Must front at least one street

D. Typical Uses

Passive recreation Walking/Running

Formal or informal seating

3.4.060 Green



General Note: Images on this page are illustrative, not regulatory.

MB-CN

MB-NN

MB-CC

MB-CS

Key Z=Zone

☒ Allowed by Review☐ Not Allowed

A. Description

Open space available for unstructured and limited amounts of structured recreation. Appropriate elements include community facility < 5,000 gsf., fountains, and benches.

B. General Character

Informal or formal

Primarily planted areas with paths to and between recreation areas

Spatially defined by landscaping, tree-lined streets, and adjacent buildings

C. Size and Location

1/2 acre, min.

D. Typical Uses

Unstructured passive and active recreation

Civic uses

Temporary commercial uses

3.4.070 Square



General Note: Images on this page are illustrative, not regulatory.

MB-CN MB-NN MB-CC MB-CS

Key Z=Zone ☒ Allowed by Review ☐ Not Allowed

A. Description

Neighborhood focal point available for civic purposes, commercial activity, and passive uses. Appropriate elements include kiosk, pergola, community facility < 5,000 gsf., fountains, and benches.

B. General Character

Formal

Combination of hardscape and planted areas in formal patterns

Spatially defined by tree-lined streets and adjacent buildings

Walkways and plantings at all edges, shaded seating areas

C. Size and Location

1/2 acre min., 5 acre max.

D. Typical Uses

Unstructured or structured recreation

Commercial and civic uses

Casual seating and/or outdoor dining

3.4.080 Pocket Plaza



General Note: Images on this page are illustrative, not regulatory.

MB-CN MB-NN MB-CC MB-CS

Key Z=Zone ☒ Allowed by Review ☐ Not Allowed

A. Description

Small-scale, open space available for civic purposes and commercial activity, intended as spaces for seating or dining into which commercial and neighborhood activity may spill. Pocket plazas can also be used to create a formal space in front of a prominent building entrance. Appropriate elements include community facility < 1,000 gsf., fountains, and benches.

B. General Character

Formal

Primarily hardscape with landscape accents

Spatially defined by building facades

Trees and shrubs optional

C. Size and Location

5,000 sf min., 1/2 acre max.

D. Typical Uses

Civic activity

Commercial in support of civic activity

Casual seating and/or outdoor dining

3.4.090 Playground



General Note: Images on this page are illustrative, not regulatory.

- MB-CN
- MB-NN
- MB-CC
- MB-CS

Key Z=Zone

z

 Allowed by Review

z

 Not Allowed

A. Description

Small-scale, open space designed and equipped for the recreation of children. These spaces serve as quiet, safe places protected from the street and typically in locations where children do not have to cross any major streets. An open shelter, play structures or interactive art and fountains may be included with landscaping between. Playgrounds may be included within all other civic space types.

B. General Character

- Focused toward children
- Play structure, interactive art, and/or fountains
- Shade and seating provided
- Protected from traffic; fenced with minimal exits
- Spatially defined by decorative fencing and trees

C. Size and Location

No min. or max.

D. Typical Uses

- Active and passive recreation
- Casual seating

Division 3.5 Specific to Uses

Sections

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3.5.010 Telecommunication Facilities

A. **Class 1 Telecommunication Facilities.** The following Telecommunication Facilities are classified as Class 1 facilities within the Code area:

1. Any Telecommunication Facility directly affixed to a building or structure, provided that all components of the facility are designed in a manner to be architecturally consistent with the building or structure. Examples include, without limitation, Telecommunications Facilities concealed within existing structures such as attics, cupolas, steeples, stanchions, bell towers, or similar structures, mounted to the penthouse of a building to appear as part of the architecture.
2. A ground-mounted or building-mounted receive-only radio or television satellite dish antenna which exceeds 36 inches in diameter but is not larger than 8 feet in diameter, provided the height of said dish does not exceed the height of the roof ridge line of a structure on which it is to be installed or is screened from view from the public right-of-way.
3. Any freestanding Telecommunications Facility designed to blend into the surrounding natural or man-made environment in order to minimize the overall visual impact. Examples include, without limitation, flag, telephone or light poles, palm trees, windmills, or rock formations and other similar items.
4. Any Telecommunications Facility proposed to co-locate on another freestanding existing Telecommunications Facility.
5. Government-owned and government-operated antenna(s).

The descriptions of Class 1 Telecommunication Facilities found in [Hayward Zoning Code Subection 10-13.070.a\(1\)](#) through (8) are inapplicable to the Code area.

B. **Allowed Facilities.**

1. Class 1 Telecommunication Facilities may be located in any zone within the Code area subject to Telecommunication Site Review approved by the Planning Director in accordance with [Municipal Code Chapter 10, Article 13 \(Antenna and Telecommunications Facilities Ordinance\)](#).
2. Class 2 and Class 3 Telecommunication Facilities are prohibited in the Code area.

- C. **Required Findings.** In addition to the findings required by [Hayward Zoning Code Section 10-13.070](#) and in order to approve a Telecommunications Site Review application, the Planning Director must find the proposed Telecommunication Facility is:
 - 1. Sited and designed so as to be architecturally integrated such that it is virtually invisible to the naked eye from public streets and Civic spaces;
 - 2. The design, finish, colors and texture are non-reflective and blend with the surrounding natural and/or man-made environment; and
 - 3. If freestanding or pole-mounted, the height is the minimum necessary without compromising reasonable reception or transmission.
- D. **Other Requirements.** All other requirements of [Hayward Zoning Code Article 13 \(Antenna and Telecommunications Facilities Ordinance\)](#), apply.

3.5.020 Temporary Uses

- A. **Purpose.** The purpose of this Section is to establish standards for short term activities that would be compatible with adjacent and surrounding uses when conducted in compliance with this Section.
- B. **Applicability.** A Temporary Use allows short term activities that might not meet the normal development or use of standards of the applicable zone, but may otherwise be acceptable because of their temporary nature, when reviewed and appropriately conditioned in compliance with this Section and [Division 4.4 \(Temporary Use Permit\)](#).
- C. **Exempt Temporary Uses.** The following minor or limited duration temporary uses are exempt from the requirement for a Temporary Use Permit in [Division 4.4 \(Temporary Use Permit\)](#). Uses that do not fall within the categories defined below must comply with [Subsection E](#).
 - 1. **Contractors' Construction Yards On-site.**
 - a. On-site contractors' construction/storage yard(s), in conjunction with an approved construction project on the same parcel, including, but not limited to, storage or cargo containers.
 - b. The construction yard must be removed immediately upon completion of the construction project, or the expiration of the companion Building Permit, authorizing the construction project, whichever first occurs.
 - 2. **Emergency Facilities.** Emergency public health and safety needs/land use activities, as determined by the Planning Director.
 - 3. **Fundraising Events.**
 - a. Fundraising events (e.g., bake sales, yard sales, car washes, etc.) are limited to a maximum of two days per month for each sponsoring organization.
 - b. Sponsorship is limited to educational, fraternal, religious, or service organizations directly engaged in civic or charitable efforts, or to tax exempt organizations in compliance with 501(c) of the Federal Revenue and Taxation Code.
 - 4. **Garage and Yard Sales.** Garage and yard sales (e.g., personal property sales) are allowed as Temporary Uses when conducted within a MB-CN or MB-NN zoned

property and are subject to the standards in [Subsection 10-1.2735.e \(Garage Sales\) of the Hayward Zoning Code](#).

5. **Sidewalk Dining.** Sidewalk dining, in compliance with [Section 3-5.13 of the Municipal Code](#).
- D. **Allowed Temporary Uses.** The following temporary uses and events require a Temporary Use Permit in compliance with [Division 4.4 \(Temporary Use Permits\)](#), and must comply with the following standards:
1. **Events.** In addition to the following standards, temporary events must comply with [Subsection 10-1.2735.h \(Outdoor Gatherings\) of the Hayward Zoning Code](#). If there is a conflict between this Section and the Municipal Code, this Section controls.
 - a. Circuses, carnivals, and similar transient amusement enterprises in a MB-CC Zone subject to no more than 30 days of site occupation and operation in any calendar year.
 - b. Music festivals, movie nights, outdoor art and craft shows and exhibits, and similar outdoor entertainment activities subject to a limitation on the number of days of operation as determined by the Planning Director.
 2. **Seasonal Sale Events.** Seasonal sale events (e.g., Halloween, Thanksgiving, Christmas, etc.) must comply with [Subsection 10-1.2735.c \(Christmas Tree and Pumpkin Patch Lot Regulations\) of the Hayward Zoning Code](#). Accessory uses, including temporary residence/security trailers, are only allowed on non-residential properties. Businesses holding valid a Business Permit, in compliance with [Chapter 8-1 \(Business Licenses\) of the Municipal Code](#) must not exceed 45 days for pumpkin and tree sales. Seasonal sales events may not occur more than four times per calendar year with a maximum of five days for each event.
 3. **Storage Containers.** Storage containers, including cargo containers or semitrailers, used for storage purposes.
 - a. No storage container may exceed a storage period of 15 days in any calendar year, except Subsection, below.
 - b. A storage container located on an active construction site may be retained longer than 15 days, but must be removed immediately following the issuance of a certificate of conformance or final inspection.
 - c. Storage containers are not allowed within the public ROW and must be placed to prevent public health or safety issues.
 4. **Tract Homes or Lot Sales Offices.**
 5. **Mobile Homes.** A mobile home to be utilized as a temporary dwelling in a residential zone while a single-family dwelling is under construction and subject to the following provisions:
 - a. The mobile home may only be located on the same parcel under construction and occupied while actual construction activities are taking place upon the parcel. The period of placement and use may not exceed 12 months.
 - b. The mobile home may only be occupied by the property owner, the builder designated on the Building Permit, and the owner's/ builder's family.
 - c. The timely removal and compliance with all conditions of approval may be required.

- d. The minimum setbacks for the zone must be maintained.
 - e. Additional conditions necessary and appropriate to ensure compatibility with surrounding development, existing and contemplated, may be imposed on the approved permit.
- 6. **Temporary Vegetable and Fruit Stands.** A temporary vegetable and/or fruit stand is allowed in compliance with the following standards:
 - a. Vegetable and fruit stands must be operated by the producer;
 - b. The stand may not operate more than 90 days a year;
 - c. The producer shall obtain written consent from the land owner to operate a temporary vegetable and/or fruit stand on the property;
 - d. More than one stand per lot is prohibited;
 - e. Stands may encroach into required setbacks, but may not encroach into the public right-of-way.
- E. **General Requirements for All Temporary Uses.** The Review Authority ([See Division 4.4 \(Temporary Use Permit\)](#)) may impose requirements for any of the following conditions:
 - 1. Compliance with all applicable Federal, State, or County, and local regulations and ordinances;
 - 2. Compliance with any other permit requirements (i.e., Building and/or Electric);
 - 3. Applicant availability during temporary use activity;
 - 4. Agreement that the temporary use will cease on the date printed on the permit, and all related equipment, supplies, product and personnel must be removed from the site; or
 - 5. Any other condition which will ensure the operation of the proposed temporary use or event in an orderly and efficient manner and in full compliance with the purpose of this Chapter, including those related to the following:
 - a. Cumulative time limits;
 - b. Parking;
 - c. Operating hours;
 - d. Screening;
 - e. Storm water;
 - f. Waste collection and disposal;
 - g. Pedestrian and vehicular access/circulation; and
 - h. Signs, in compliance with [Section 10-7.600 \(Temporary Sign Regulations\) of the Hayward Zoning Code](#).
- F. **Temporary Structures.** Temporary structures are allowed on vacant lots for a period not to exceed six months, provided the area is left unchanged and in its original condition after the removal of the temporary structure.
- G. **Temporary Use of Existing Structures.** Temporary, short-term, use of an existing structure is allowed in all zones, provided:

1. The short-term use, if a permanent use, would otherwise be a permitted use in the zone;
 2. The short-term tenant has signed a lease with the property owner for a time period of no more than six months.
- H. **Similar Temporary Uses.** Similar temporary uses, which are compatible with the zone and surrounding land uses, may require a Temporary Use Permit in compliance with [Division 4.4 \(Temporary Use Permit\)](#) and be subject to the standards in this Section, as determined by the Planning Director.
- I. **Condition of the Site Following Temporary Use.** Each site occupied by a temporary use must be cleaned of debris, litter, or any other evidence of the temporary use upon completion or removal of the use.

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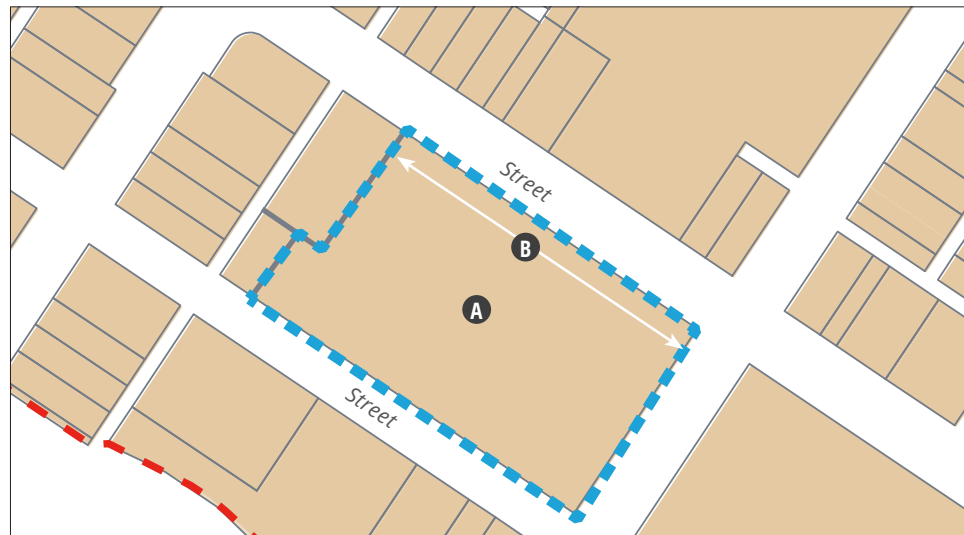
Division 3.6: Standards for Large Sites

Sections

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3.6.010 Purpose and Applicability

- A. The intent of this Division is to:
 - 1. Create and reinforce compact and walkable urban environments with a mix of uses;
 - 2. Promote development patterns that support effective and convenient multi-modal transportation options, including pedestrian, bicycle, and public transit; and
 - 3. Provide opportunities for auto-oriented suburban contexts to transform into walkable urban development.
- B. The standards of this Division apply to new development or subdivision on sites that are two acres or larger in size or with more than 600 feet of cumulative front and side street frontage.



A Site with area greater than 2 acres **B** Site with more than 600 feet of street frontage

3.6.020 Major Site Plan Required

Sites subject to this Division must obtain Major Site Plan Review in compliance with [Section 10-1.3000 \(Site Plan Review\) of the Hayward Zoning Code](#) and the requirements of this Division.

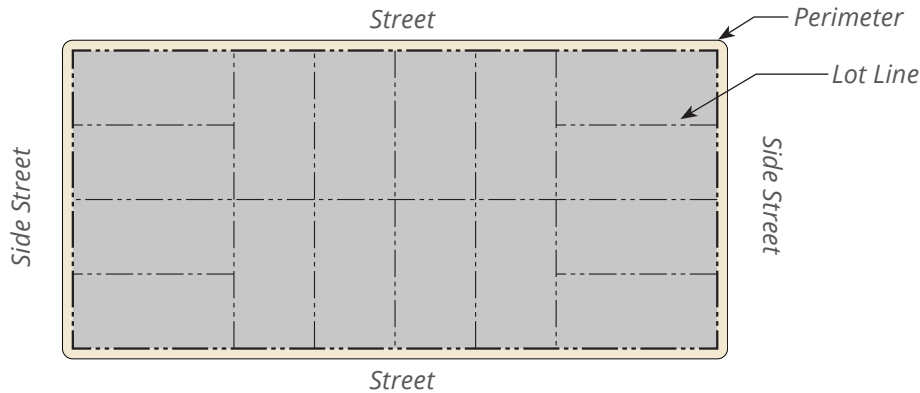
3.6.030 Development Requirements

A. Block Size

1. The total block perimeter must comply with the standards established in [Table A \(Block Size\)](#).
2. If a block or site contains multiple zones, smallest applicable block perimeter applies.

Table 3.6.030.A Block Size

Zone	New Block Perimeter
MB-CN, MB-CS	2,400 ft. max.
MB-NN	2,800 ft. max.
MB-CC	2,000 ft. max.



- B. Thoroughfares.** Thoroughfares, public or private, define the streets, pedestrian paths, and bicycle routes that refine large sites into walkable urban environments that may also provide multiple routes for vehicular circulation.

1. General to All.

- a. Thoroughfares are intended to provide multi-modal access to lots and civic spaces.
- b. Thoroughfares shall consist of vehicular lanes (including parking and bicycle lanes) and public frontages (including sidewalks and amenities) consistent with City complete streets principles and City plans for improvements.
- c. Pedestrian comfort shall be a primary consideration of the thoroughfare.
- d. Where presented, design conflicts between vehicular and pedestrian movement generally shall be decided in favor of the pedestrian.

2. Design.

- a. Thoroughfares must comply with Department of Public Works and Utilities standards.
- b. The thoroughfare network must indicate the layout on streets, pedestrian paths, and bicycle facilities (as appropriate), and the block network in compliance with standards in this Subsection and [Subsection A](#).
- c. Thoroughfares shall accommodate sidewalks, Bicycle Lanes, Bicycle Routes and Bicycle Trails (if applicable) consistent with the City of Hayward Bicycle and Pedestrian Master Plan and any other plans for network improvements.

- d. Thoroughfares that pass through multiple zones must transition to align with the character of the zone. For example, while a thoroughfare within a Mission Boulevard- Corridor Center (MB-CC) Zone with retail shops may have wide sidewalks with trees in tree grates, it may transition to a narrower sidewalk with a planting strip within a less urban zone with lower intensity residential uses (e.g., Mission Boulevard-Corridor Neighborhood (MB-CN) Zone).

3. **External Connectivity.**

- a. Thoroughfares must be arranged to connect to existing or proposed thoroughfares into adjoining lands whether the adjoining lands are undeveloped and intended for future development, or if the adjoining lands are developed and include opportunities for such connections.
- b. Thoroughfare rights-of-way must be extended to or along adjoining property boundaries to provide a roadway connection or thoroughfare stub for development in compliance with the standards in [Subsection A \(Block Size\)](#).
- c. The site plan must identify all stubs for thoroughfares and include a notation that all stubs must connect with future thoroughfares on adjoining undeveloped property.
- d. Dead-end streets and cul-de-sacs are not allowed. This does not apply to public or private driveways leading to parking facilities, including garages, parking lots, or parking structures.

4. **Specific to Bicycle and Pedestrian Connections.** The site circulation system must include a system of bicycle and/or pedestrian paths that, at minimum, include the following:

- a. Internal Connections. A system of pedestrian walkways shall connect all buildings on a site to each other, to on-site automobile and bicycle parking areas, and to any on-site common open space areas, civic spaces, or pedestrian amenities. Walkways must be physically separated from drive aisles, except when crossing a drive aisle.
- b. External Connections.
 - (1) Regular connections between on-site walkways and the public sidewalk shall be provided. An on-site walkway shall connect the primary building entry or entries to a public sidewalk on each street frontage.
- c. Direct and convenient access shall be provided from commercial and mixed-use projects to adjoining residential and commercial areas to the maximum extent feasible while still providing for safety and security.
- d. Safe and convenient pedestrian connections shall be provided from transit stops to building entrances.
- e. Pedestrian access must consist of an accessible, easily discernible, well-lit, and ADA compliant walkway a minimum of 5 feet in width.

- C. **Land Use.** The site shall provide a mix of land uses consistent with the uses allowed in [Division 2.3 \(Use Table\)](#), including a variety of entertainment, recreational, retail, residential, and supporting uses to create an active, mixed-use environment.
- D. **Civic Space.** Minimum of 10 percent of the net project area must be designed as civic space in compliance with [Division 3.4 \(Civic Space\)](#). Net project area is the area after subtracting streets right-of-way from the project area.

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Article 4: Permits and Procedures

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Division 4.1 Purpose

Sections

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4.1.010 Purpose

This Article establishes the review procedures for the administration of the Mission Boulevard Corridor Code and to ensure that each new or expanded use or structure complies with the applicable requirements of this Code and the Hayward Municipal Code.

4.1.020 Applicability

This Article applies to the use and development of property within the Mission Boulevard Corridor Code Area and shall be considered in addition to the applicable permit and review procedure requirements in any other section of this Code or the Hayward Municipal Code.

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Division 4.2 Site Plan Review

Sections

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4.2.010 Site Plan Review

Site Plan Review, pursuant to [Section 10-1.3000 of the Hayward Zoning Code](#), is required for all development projects and uses. If the project also requires Planning Commission approval, the project shall be processed and reviewed concurrently by the Planning Commission.

4.2.020 Major Site Plan Review

On sites of two or more acres or with more than 600 feet of street frontage, Major Site Plan Review, pursuant to [Section 10-1.3075 of the Hayward Zoning Code](#), shall be obtained prior to any subdivision or other approval for new development.

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Division 4.3 Minor Modifications

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4.3.010 Modification

Modifications to the dimensional requirements of property development standards may be granted pursuant to [Section 10-1.2830, Conformance-Administrative Modification, of the Hayward Zoning Code](#) and as specifically identified in any section of this Code.

4.3.010 Purpose and Applicability

- A. The purpose of a Minor Modification is to streamline and expedite the permitting process by authorizing the Planning Director to allow minor deviations from certain code standards when such requests constitute a reasonable use of the property but are not otherwise permissible under a strict application of this Chapter.
- B. The provisions of this Division are intended to ensure that development of property within Mission Boulevard Corridor Zones:
 - 1. Makes a positive contribution to existing development on neighboring properties;
 - 2. Ensures that new or altered structures are compatible and harmonious with the design and use of existing structures on neighboring properties;
 - 3. Respects the existing views, privacy, and access to light and safety of neighboring properties; and
 - 4. Does not adversely affect neighboring properties, with “adversely affect” to mean to impact in a substantial, negative manner the economic value, habitability, or enjoyability of these properties.

4.3.020 Review Procedures

- A. **Application Filing and Processing.** The application must be filed with the Planning Director and include the information and materials in the most current Department publication for applications together with the required fee as specified in [Section 10-1.2815 \(Application\) of the Hayward Zoning Code](#). It is the responsibility of the applicant to provide evidence in support of the findings required by [Section 4.3.040 \(Findings for a Decision on a Minor Modification\)](#).

- B. The Planning Director may approve a Minor Modification as specified in [Table 4.3.030.A \(Minor Modifications Allowed\)](#), only after first determining that the requested modification complies with the findings specified in [Section 4.3.040 \(Findings for a Decision on a Minor Modification\)](#).
- C. A request for a modification beyond modification allowed in [Section 4.3.030 \(Modification Allowed\)](#) may apply for a Variance in compliance with [Section 10-1.3300 \(Variance\) of the Municipal Code](#), as appropriate.

4.3.030 Modification Allowed

- A. **General Modification.** The Planning Director may approve a Minor Modification in any Mission Boulevard Corridor Zone for a modification of up to 20 percent of any measurable standard prescribed in this Code, only after first determining that the requested modification complies with the findings specified in [Section 4.3.040 \(Findings for a Decision on a Minor Modification\)](#).
- B. **Additional Modification.** In addition to the modification allowed under [Subsection A](#), the Planning Director may approve a modification as provided in [Table A \(Minor Modifications Allowed\)](#). If the modification in [Table A \(Minor Modifications Allowed\)](#) is less permissive than [Subsection A](#), [Table A](#) supersedes.

Table 4.3.030.A Minor Modifications Allowed

Type of Minor Modification Allowed	Maximum Modification
Reduced front or street-side setbacks, provided at least 25% of the lots on the block contain primary buildings, the subject lot is vacant, and there would be no conflict with the ultimate right-of-way	To the minimum front or street-side yard setback of any primary building along the same block face
Increase in maximum projection into setback for porches, balconies, and stairways	10%
Reduced side or rear setbacks for detached private garages and accessory structures, provided the garage or structure is does not exceed 10 feet in height within the required setback and does not create a condition causing water to drain onto an adjacent site	3 feet into the required side or rear setback
Reduced minimum parking setback, provided that parking is not located in front of the main building along the primary facade.	25% reduction of the minimum
Reduced side street frontage for multi-family projects on corner lots with primary street frontage	Waive minimum side street frontage requirement
Increase in maximum block perimeter	5%
Increase in maximum setback	10%
Minimum Open Space	10%

4.3.040 Findings for a Decision on a Minor Modification

The Planning Director shall review and approve or disapprove an application for a Minor Modification, with or without conditions, only after the following findings are made:

- A. There are special circumstances applicable to the property (e.g., size, shape, topography, location, surroundings, etc.) that the strict application of the Code could deprive the property of privileges enjoyed by other property in the vicinity and under identical zoning classification;
- B. The special circumstances applicable to the property are not self-imposed by any person presently having and interest in the property;
- C. Granting the Minor Modification will not be materially detrimental to the public health, safety, or welfare and will not impair an adequate supply of light and air to adjacent property;
- D. The requested Minor Modification will not allow the establishment of a use that is not allowed in the zone;
- E. The requested Minor Modification will not allow an increase in height or density beyond which is allowed in the base zone; and
- F. The proposed project will comply with all applicable standards in this Code.

4.3.050 Review and Decision

- A. Each Minor Modification application must be reviewed on an individual case-by-case basis.
- B. A request for modification that exceeds 10 percent of the required standard is subject to notice in compliance with [Section 10-1.2820 \(Notice\) of the Hayward Zoning Code](#).
- C. A decision on a Minor Modification may be appealed in compliance with [Section 10-1.2845 \(Appeal and Review Process\) of the Hayward Zoning Code](#).

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Division 4.4 Temporary Use Permit

Sections

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4.4.010 Purpose and Applicability

- A. This Division establishes the procedures for the review of Temporary Use Permits required by this Code for temporary uses and/or activities that have a short duration, are compatible with adjacent and surrounding uses when conducted in compliance with this Code when reviewed and appropriately conditioned in compliance with this Division. Standards for specific temporary uses are identified in [Section 3.5.020 \(Temporary Uses\)](#).
- B. A Temporary Use Permit is required to allow the temporary uses and/or short-term activities specified in [Section 3.5.020 \(Temporary Uses\)](#), unless exempted by [Subsection 3.5.020.D \(Allowed Temporary Uses\)](#).

4.4.020 Review Procedures

- A. **Application Filing and Processing.** The application must be filed with the Planning Director and include the information and materials in the most current Department publication for applications together with the required fee as specified in [Section 10-1.2815 \(Application\) of the Hayward Zoning Code](#). It is the responsibility of the applicant to provide evidence in support of the findings required by [Section 4.4.030 \(Findings\)](#).
- B. **Administrative Options.** The Planning Director may approve, conditionally approve, or disapprove a Temporary Use Permit application. The Planning Director's decision must be based on the findings listed in [Section 4.4.030 \(Findings\)](#). For uses not listed in [Section 3.5.020 \(Temporary Uses\)](#), the Planning Director may determine if the use is allowed with a Temporary Use Permit or requires an Administrative Use Permit in compliance with [Section 10-1.2715 \(Certain Uses Permitted\) the Hayward Zoning Code](#).
- C. **Conditions of Approval.** In approving a Temporary Use Permit application, the Planning Director may impose conditions of approval that are considered reasonable and necessary to ensure that the permit would be in full compliance with the findings required by [Section 4.4.030 \(Findings\)](#). This may include conditions from other City departments (e.g., Public Works) that may have a direct effect on the operation of the temporary use. Conditions may address any pertinent factors affecting the operation of the temporary event or use to ensure the operation of the proposed event or use is temporary in nature.

4.4.030 Findings

The Planning Director may approve a Temporary Use Permit subject to making all the following findings:

- A. The location, operation, and time period of the temporary use will not constitute a hazard to the public interest, health, safety, or general welfare.
- B. The operation of the temporary use will not be detrimental to adjoining properties through the creation of excessive dust, light, noise, odor, or other undesirable characteristics.
- C. The site on which the temporary use is proposed is adequate in size and shape to accommodate the temporary use without detriment to the enjoyment of other properties located adjacent to and near the subject property.

4.4.040 Lapse of Approval

- A. A Temporary Use Permit becomes void if not used within six months following its effective date, or within a shorter time specifically prescribed as a condition of the Temporary Use Permit, or at the expiration of an associated development permit if that occurs at a later time. The Planning Director may extend the time for a maximum period of one additional six-month period only, if an application is filed before the expiration of the six month or shorter time period.
- B. Where the conditions of a Temporary Use Permit have not been or are not being complied with, the Planning Director shall give written notice to the permittee of intention to revoke or modify the Temporary Use Permit and shall set a date for a public hearing with the Planning Commission in compliance with [Section 10-1.2820 \(Notice\) of the Hayward Zoning Code](#) upon the proposed revocation or modification. The notice must be served on the owner of the subject property by mailing the notice to the owner at the address shown on the last equalized assessment roll at least 10 days before the date of the hearing, and specify the date, time, and place when and where it will be held. Following the hearing, and if the Planning Director finds that there is good cause the Temporary Use Permit may be modified or revoked.
- C. If a structure or use granted under a Temporary Use Permit is abandoned for a period of 30 days, the Temporary Use Permit expires.

4.4.050 Time Limits

- A. A Temporary Use Permit is valid for up to 180 days in any given calendar year, unless otherwise stipulated in [Section 3.5.020 \(Temporary Uses\)](#) or the Planning Director determines that another time limit is necessary to comply with the findings in [Section 4.4.030 \(Findings\)](#).
- B. The Planning Director may limit the number of Temporary Use Permits approved for each lot in a calendar year to avoid temporary uses becoming effectively permanent uses consistent with the intent of this Division.

4.4.060 Appeals

A decision for a Temporary Use Permit can be appealed in compliance with [Section 10-1.2845 \(Appeal and Review Process\)](#) of the [Hayward Zoning Code](#).

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Article 5: Definitions

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5.1.020 Land Uses	5-3
5.1.030 General Terms.....	5-3

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Division 5.1 General Terms and Definitions

Sections

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5.1.020	Land Uses	5-3
5.1.030	General Terms	5-3

5.1.010 Purpose and Intent

This Article describes and classifies land uses and terms that apply to the Mission Boulevard Corridor Zones. This Article supplements, and supersedes, if in conflict with, the terms defined in [Section 10-1.3500 \(Definitions\)](#) in the Hayward Municipal Code. Where this Article is silent, the definitions of the Hayward Municipal Code apply.

5.1.020 Land Uses

Land uses are defined in [Article 1, Section 10-1.3500, Definitions, of the Hayward Municipal Code](#).

5.1.030 General Terms

Block. An area of land separated from other areas by adjacent streets, railroads, rights of-way, or public areas.

Building Elevation. The exterior wall of a building not adjacent to a public right-of-way, the front or side along a private street, or civic space.

Building Façade. The vertical surface of a building, generally placed facing a frontage line ("front facade").

Civic Space. Land that is improved for civic gathering purposes.

Commercial. the term collectively defining workplace, Office, Retail Sales, and Lodging Functions.

Density. the number of dwelling units within a standard measure of land area.

Dooryard. A Frontage Type wherein the main facade of the building is set back a small distance and the frontage line is defined by a low wall or hedge, creating a small dooryard (see Section 3.3.100).

Driveway. A vehicular lane within a site or shared between two sites leading to a garage, or other approved parking or loading area.

Encroachment. Any architectural feature, structure or structural element, such as a gallery, fence, garden wall, porch, stoop, balcony, oriel window, bay window, terrace or deck, that breaks the plane of a vertical or horizontal regulatory limit extending into a setback, or beyond the zero lot line into the public frontage, or above a height limit.

Enfront. to place an element along a Frontage, as in “porches Enfront the street.”

Facade Zone. The area between the minimum and maximum setback lines along the front of a parcel and along the side street of a corner parcel.

Forecourt. A Frontage Type wherein the main facade of the building is at or near the frontage line and a small portion of the building is set back (see Section 3.3.090).

Front Yard. A Frontage Type wherein the main facade of the building has a planted setback from the frontage line (see Section 3.3050).

Frontage. A strip or extent of land abutting a thoroughfare, civic space, or other public right-of-way.

Private Frontage. The area between the building facade and the shared lot line between the public right-of-way and the lot.

Public Frontage. The area between the curb of the vehicular lanes and shared lot line between the public right-of-way and the lot.

Frontage Line. A lot line bordering a Public Frontage. Facades facing Frontage Lines define the public realm and are therefore more regulated than the Elevations facing other Lot Lines.

Gallery. A Frontage Type wherein the main facade of the building is at or near the frontage line and a cantilevered shed or colonnade overlaps the sidewalk in the right-of-way (see Section 3.3.140).

Green. A Civic Space Type wherein a natural preserve or open space is available for unstructured recreation (see Section 3.4.060).

Greenway. A Civic Space Type wherein linear space is available for community gathering and strolling for nearby residents and employees (see Section 3.4.050).

Height

Building Height. The vertical distance at any point from the finished grade or existing grade, whichever is lower, to the highest point of the coping of a flat roof, to the top roof line of a mansard roof, or to the midpoint of the highest gable of a pitched or hip roof (see Section 10-1.3510 in the Hayward Municipal Code).

Ground Floor, Finished Floor. Height from finished grade to the top of the flooring material of the ground floor.

Ground Floor, Ceiling. Height from finished floor to finished ceiling of primary rooms on the floor(s) above the ground floor, not including secondary rooms such as bathrooms, closets, utility rooms, and storage spaces.

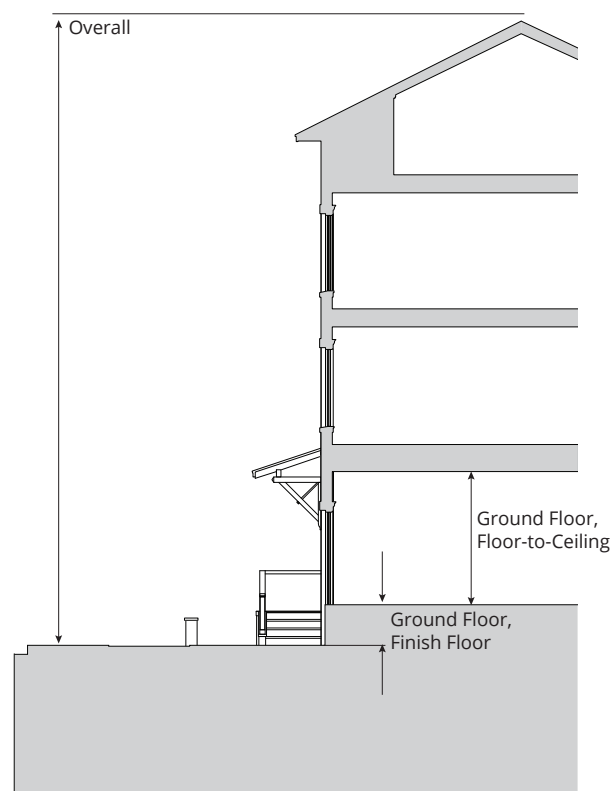


Figure 6.1.030.1 Height

Lot Width, net. The lot width excluding portions of the lot dedicated to driveways or access, including fire access.

Maker Shopfront. A Frontage Type wherein the main facade of the building is at or near the frontage line with an at-grade or elevated entrance from the sidewalk (see Section 3.3.110).

Parking Structure. Facilities for the temporary parking of motor vehicles within a privately or publicly owned off-street parking facility. This use includes commercial parking lots and garages.

Playground. A Civic Space Type wherein open space is designed and equipped for the recreation of children (see Section 3.4.090).

Pocket Plaza. A Civic Space Type wherein open space is available for civic purposes and commercial activities (see Section 3.4.080).

Porch: Engaged. A Frontage Type wherein the main facade of the building is setback from the frontage line with an attached porch that has two adjacent sides that are engaged to the building while the other two sides are open (see Section 3.3.070).

Porch: Projecting. A Frontage Type wherein the main facade of the building is setback from the frontage line with an attached porch that is open on three sides and all habitable space is located behind the building setback line (see Section 3.3.060).

Primary Entrance. The main point of access for pedestrians into a building.

Regulating Plan. A map for a development that identifies zones to be applied to replace the existing zones. Upon approval of the development, the regulating plan's content is incorporated into the Hayward Zoning Map.

Residential. Characterizing premises available for long-term human dwelling.

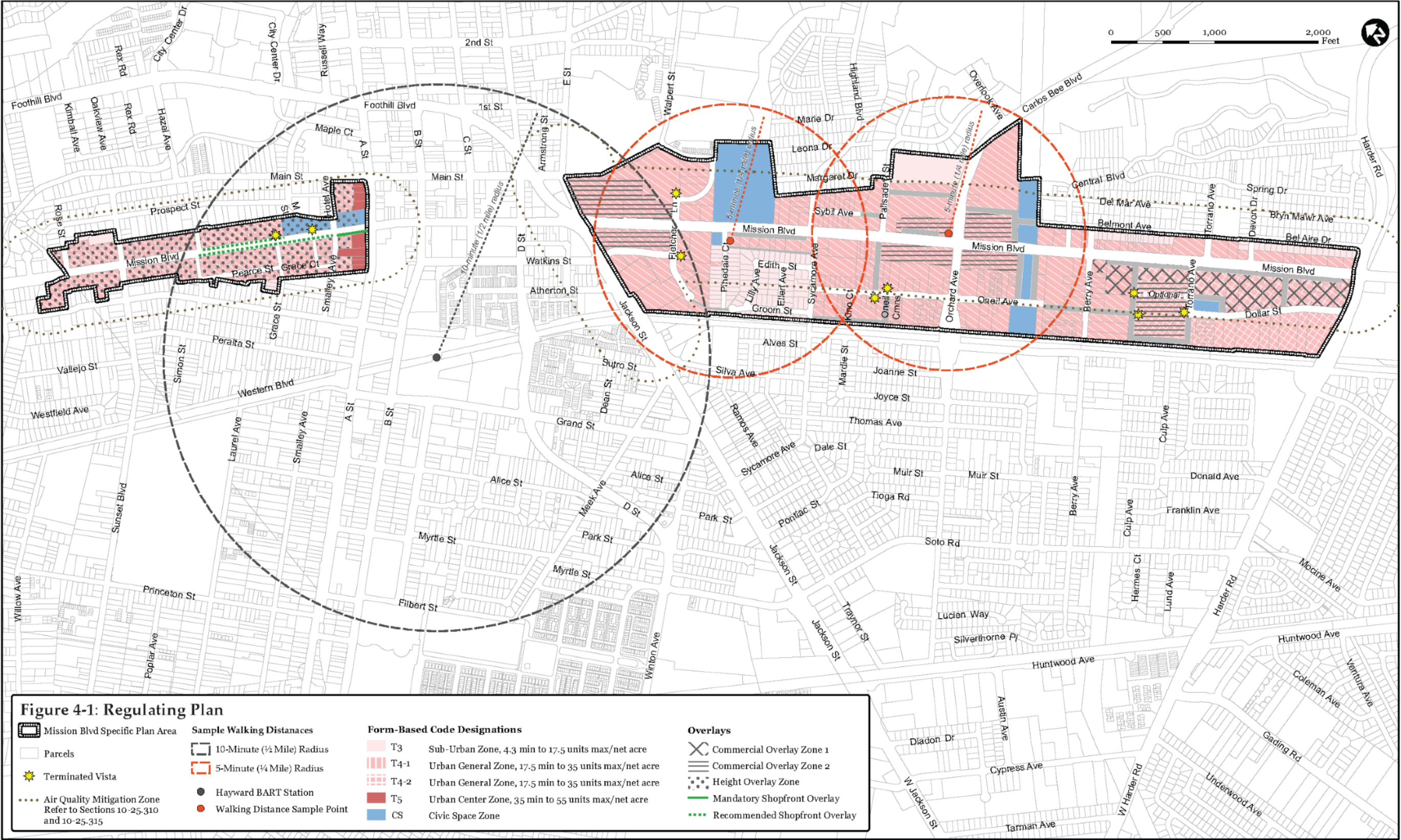
Shopfront. A Frontage Type wherein the main facade of the building is at or near the frontage line with at-grade entrance along the sidewalk (see Section 3.3.120).

Sidewalk. The paved section of the Public Frontage dedicated to pedestrian activity.

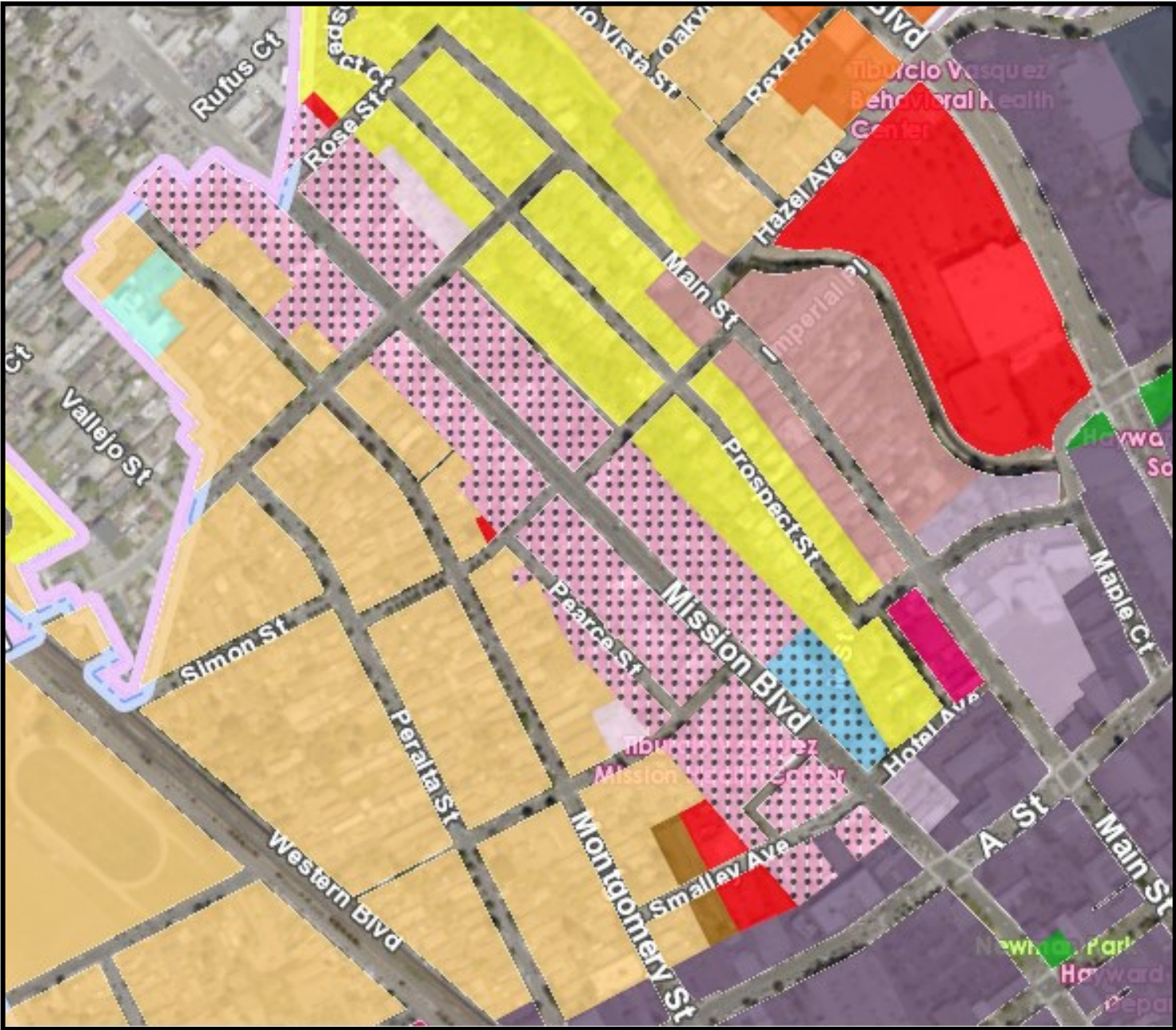
Square. A Civic Space Type wherein a neighborhood available for civic purposes, recreation, and passive uses (see Section 3.4.070).

Stoop. A Frontage Type wherein the main facade of the building is near the frontage line and the stoop engages the first floor with the sidewalk (see Section 3.3.080).

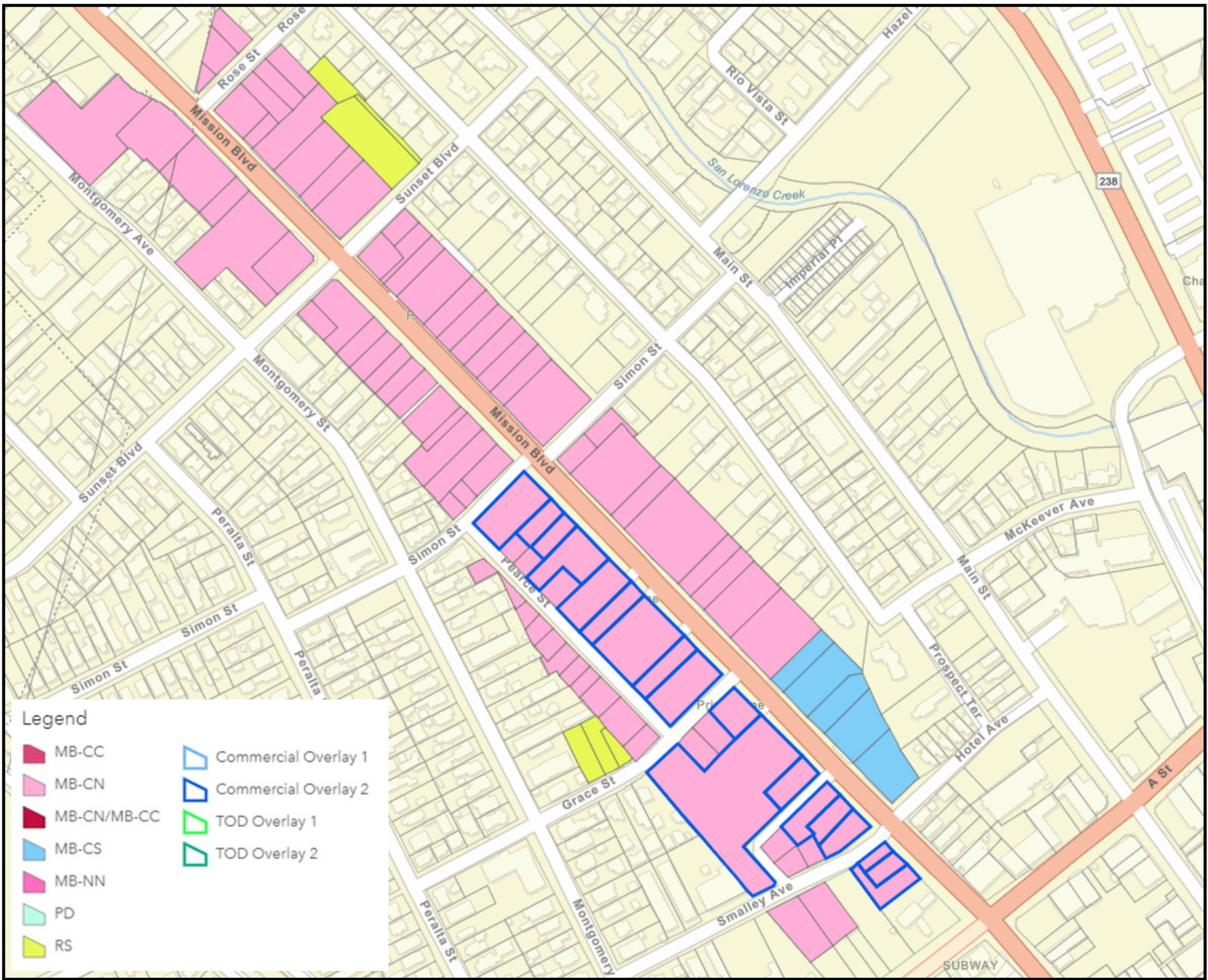
Terrace. A Frontage Type wherein the main facade is set back from the frontage line with an elevated terrace (see Section 3.3.130).



Existing Mission Boulevard Corridor
Form Based Code

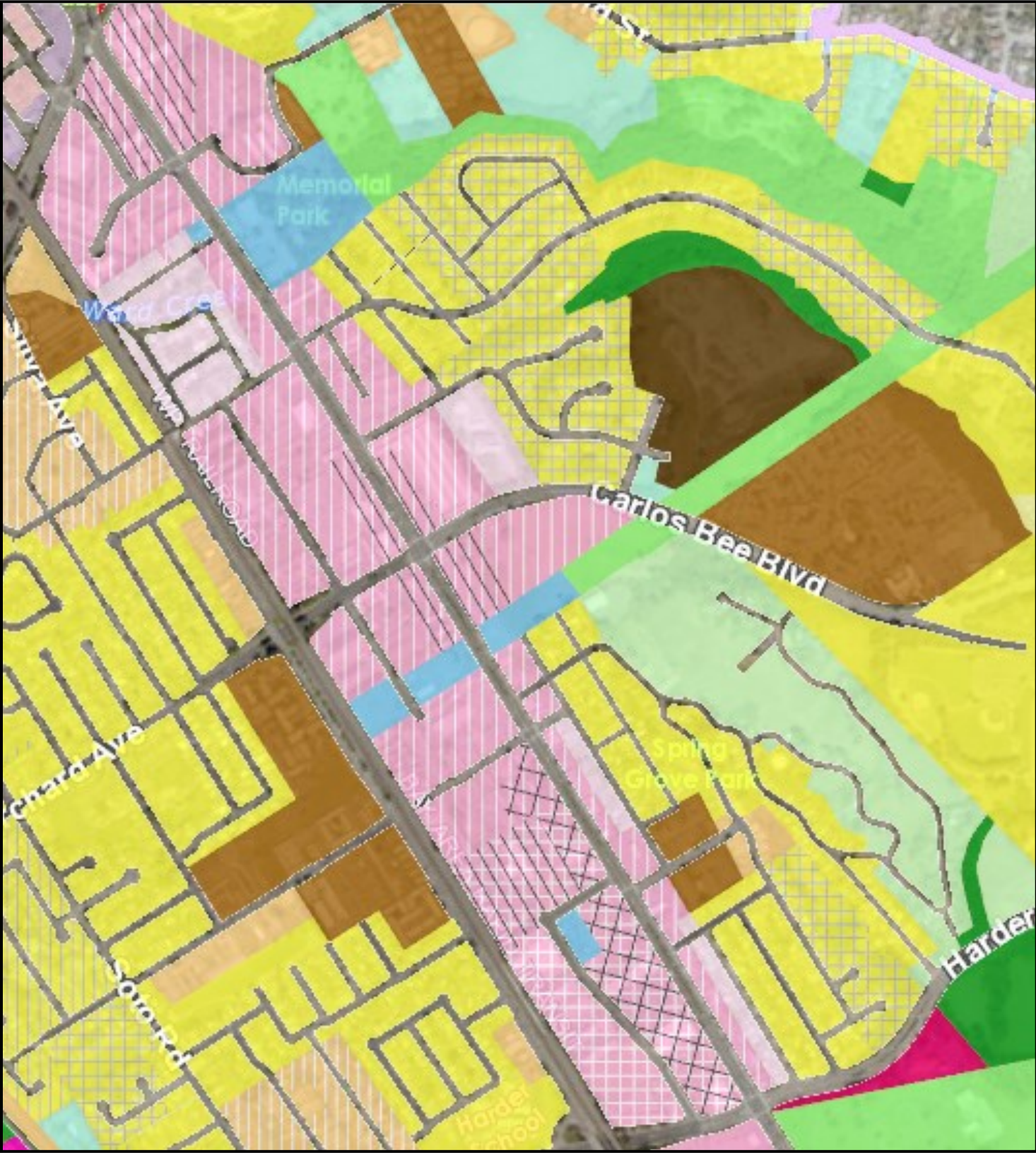


Existing Mission Boulevard FBC
Rose Street to "A" Street

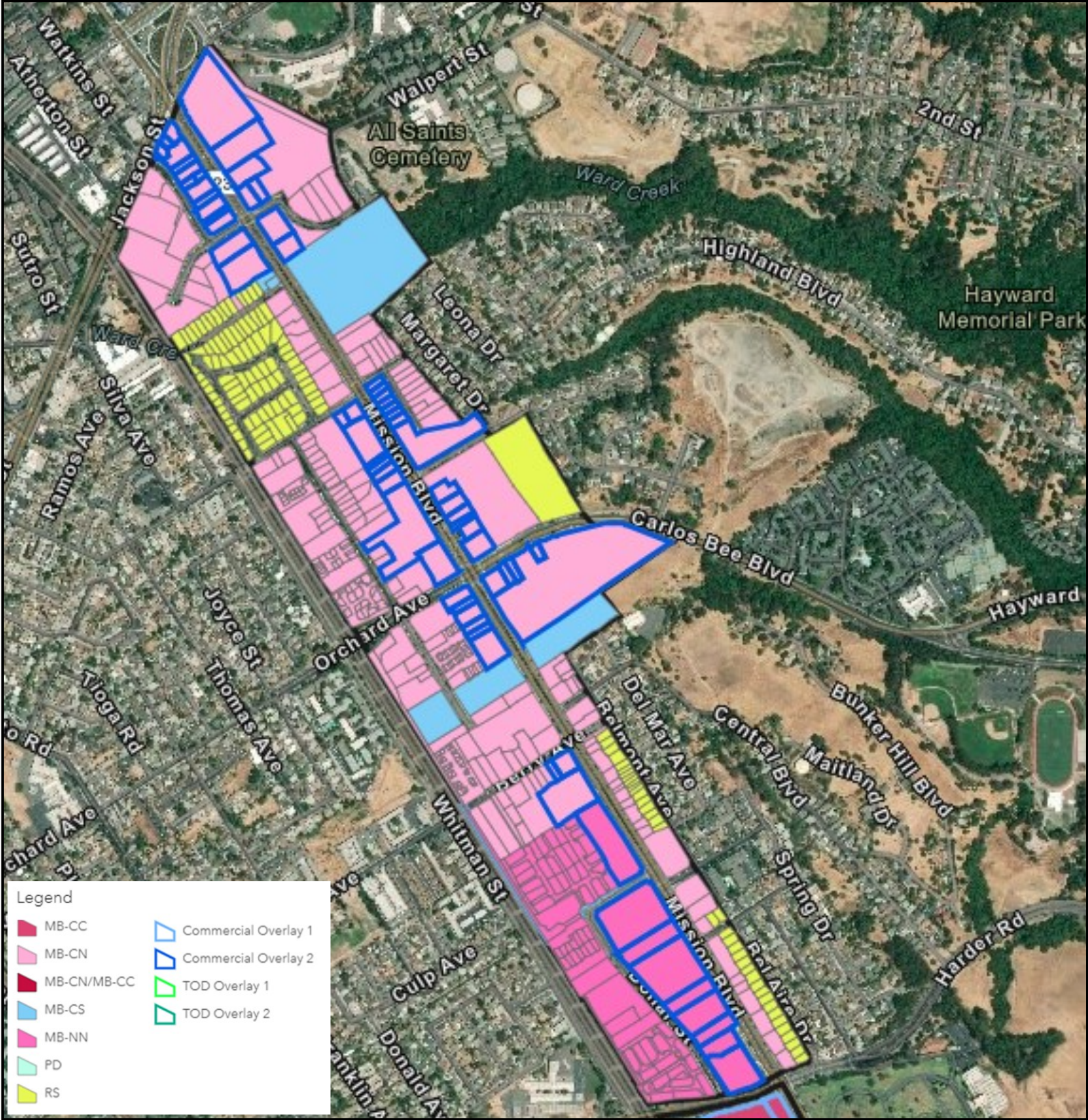


Proposed Mission Boulevard FBC
Rose Street to "A" Street



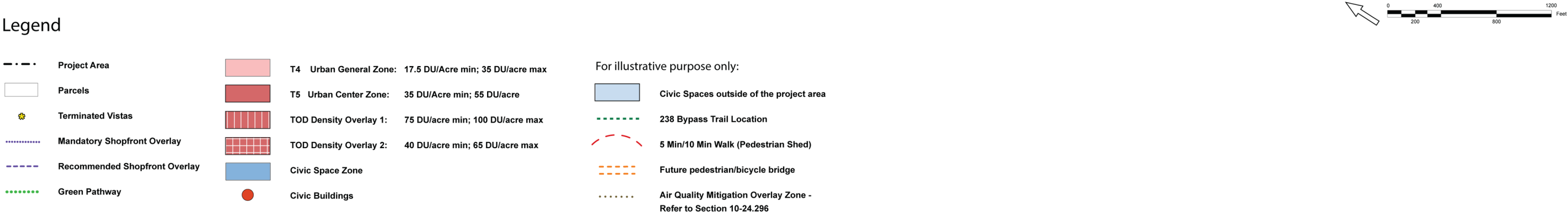
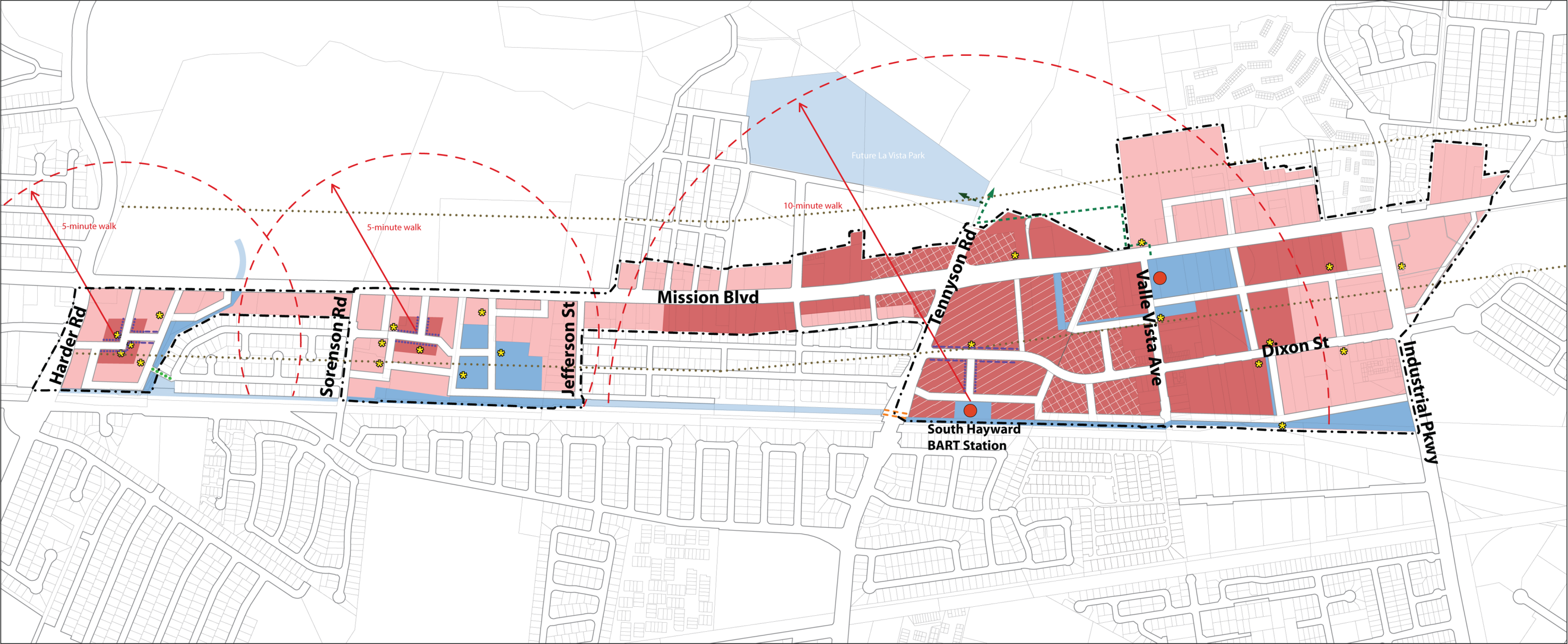


Existing Mission Boulevard FBC
Jackson Street to Harder Road



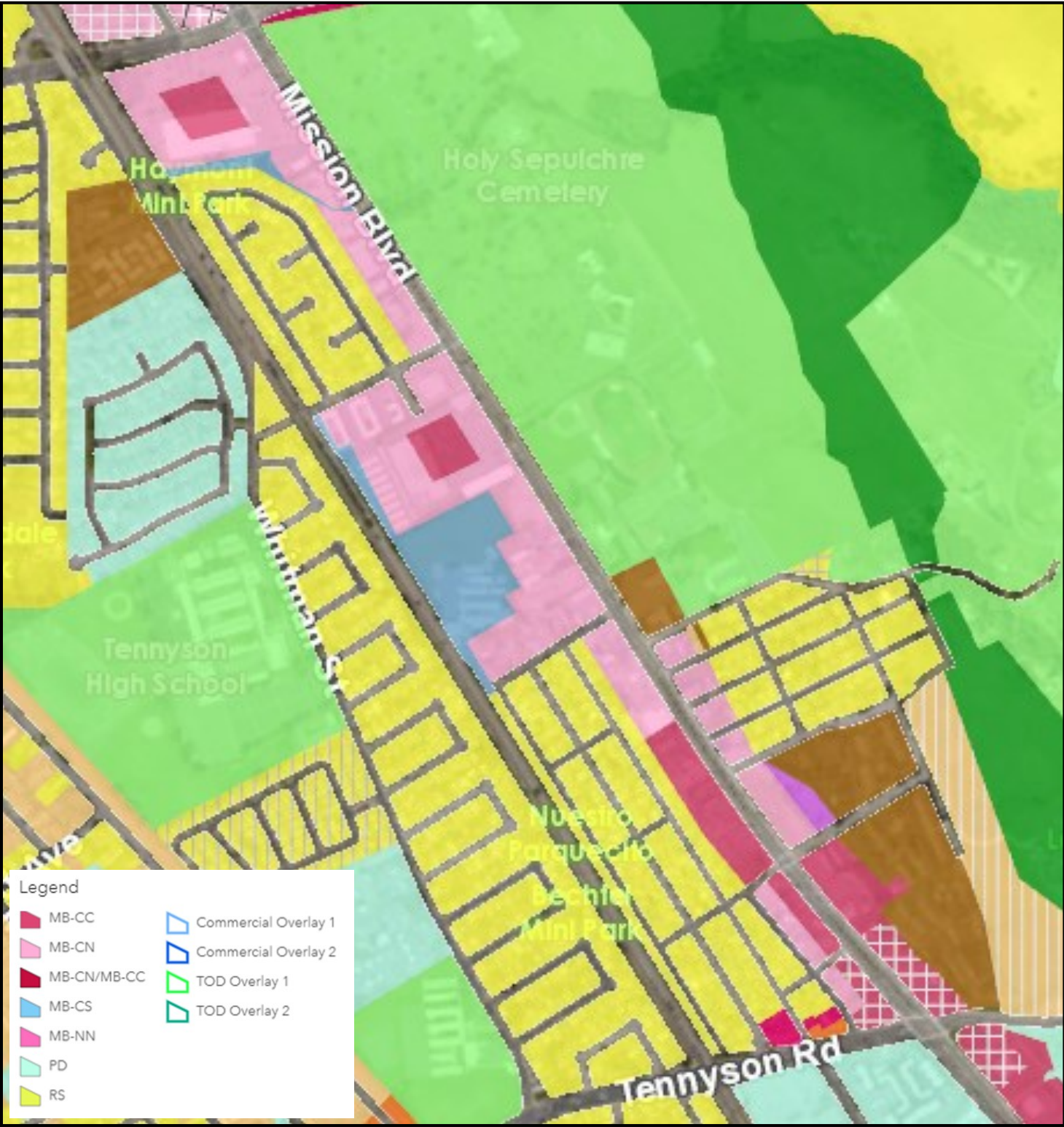
Proposed Mission Boulevard FBC
Jackson Street to Harder Road



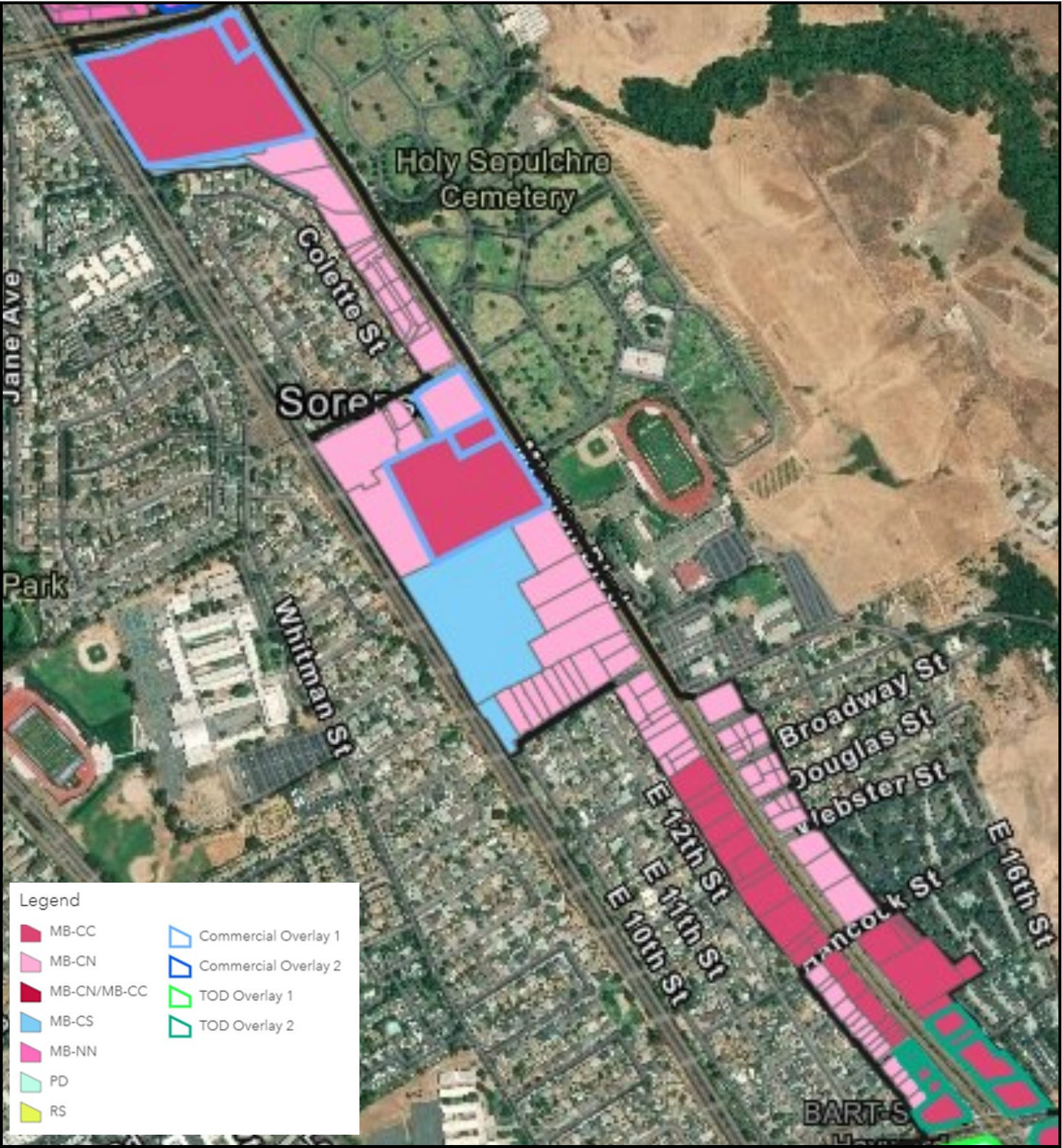


Existing South Hayward BART/Mission Boulevard
Form Based Code

FIG 1-1

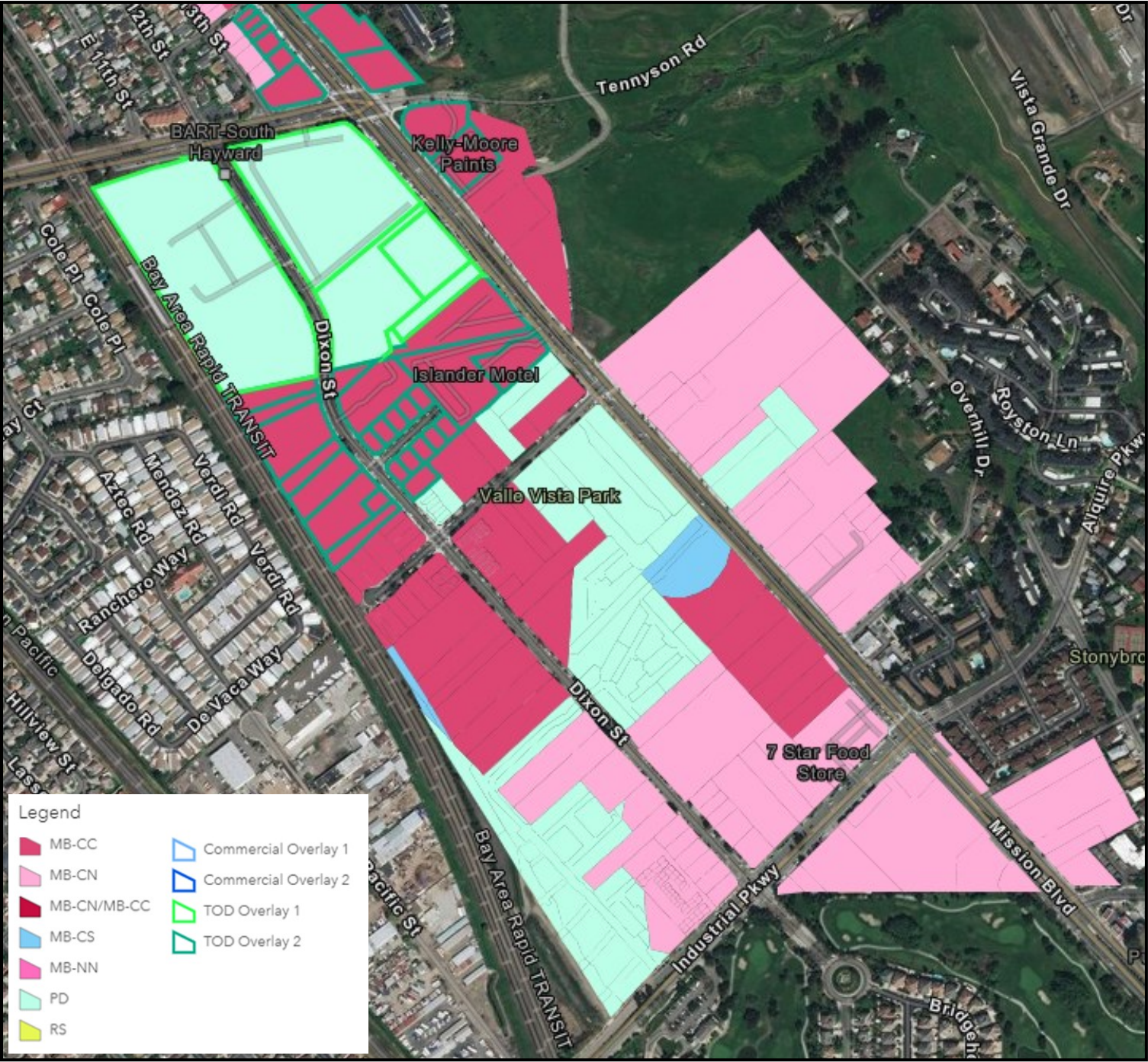


Existing South Hayward BART FBC
Harder Road to Tennyson Road

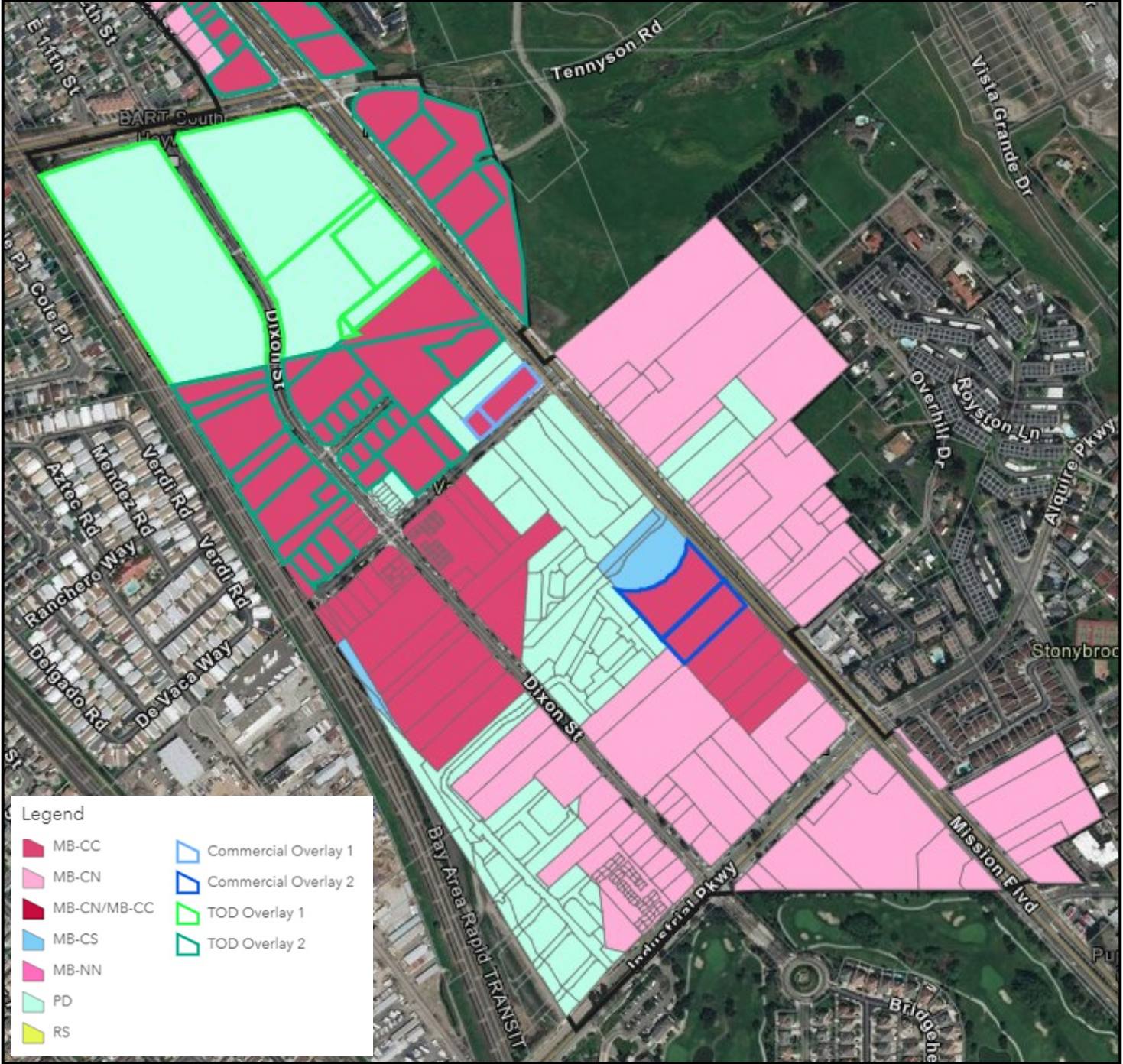


Proposed South Hayward BART FBC
Harder Road to Tennyson Road





Existing South Hayward BART FBC
Tennyson Road to Garin Avenue



Proposed South Hayward BART FBC
Tennyson Road to Garin Avenue





CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: MIN 20-020

DATE: February 13, 2020

TO: Planning Commission

FROM: Director of Development Services

SUBJECT

Minutes of the Planning Commission Meeting of January 23, 2020

RECOMMENDATION

That the Planning Commission approve the minutes of the Planning Commission meeting of January 23, 2020

SUMMARY

The Planning Commission held a meeting on January 23, 2020

ATTACHMENTS

Attachment I Draft Minutes of January 23, 2020



**MINUTES OF THE REGULAR MEETING OF THE
CITY OF HAYWARD PLANNING COMMISSION
Council Chambers
Thursday, January 23, 2020, 7:00 p.m.
777 B Street, Hayward, CA 94541**

MEETING

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

CALL TO ORDER Pledge of Allegiance

Commissioner Roche led in the Pledge of Allegiance.

ROLL CALL

Present: COMMISSIONERS: Stevens, Andrews, Faria, Roche, Goldstein
CHAIRPERSON: Bonilla
Absent: COMMISSIONER: Patton

Staff Members Present: Buizer, Chan, Maravilla, Vigilia

General Public Present: 66

PUBLIC COMMENT:

There were none.

PUBLIC HEARINGS: For agenda item No. 1, the decision of the Planning Commission may make a recommendation to the City Council. For Agenda item No. 2, 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 Commercial Cannabis Retail Dispensary with Ancillary Retail Delivery within an existing building located at 1147 B Street (Assessor Parcel No. 427-0011-021-00), Requiring Approval of Conditional Use Permit Application No. 20186127. Esther Lopez (Applicant); Gregor Varr (Property Owner)

Planning Manager Buizer introduced Associate Planner Maravilla who will be presenting both items to the Planning Commission.

Associate Planner Maravilla provided a synopsis of the staff report and PowerPoint presentation.



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Ms. Esther Lopez, applicant and Hayward resident, noted she is a member of the Keep Hayward Clean and Green Task Force and spoke about the proposed project, longtime history as a business owner in Hayward and a how the proposed dispensary will benefit the Hayward community.

Commissioner Andrews disclosed that she is on the Advisory Council for the Downtown Streets Team and since Ms. Lopez may be contributing to the Downtown Streets Team, she wanted to make sure there was not a conflict of interest. Senior Assistant City Attorney Vigilia responded that if Ms. Andrews is not benefitting directly, she can participate in the discussion.

Ms. Lopez clarified that the business hours will be Monday through Friday from 9 am to 9 pm and on weekends from 10 am to 7 pm.

In response to Commissioner Goldstein's questions regarding security, training, and prior experience, Associate Planner Maravilla said one of the security measures is to take the unmarked delivery vehicles to another location during non-business hours. Ms. Lopez said that she will have expanded training programs for employees that includes disaster response training and that her prior experience includes taking care of purchasing and delivery service for a business in Vallejo.

Commissioner Roche asked about the employee training. Ms. Lopez said that she has a team of researchers to help set up a staff training program for cannabis business that involves disaster preparedness, security, and how to react to robberies. Ms. Lopez described the renovations and her vision of creating a safe, welcoming environment for her clients and that she will also offer education on cannabis and other topics.

Commissioner Andrews asked about the mural art, Ms. Lopez introduced the artist and said the plan is to start with one section and as revenue increases, she will expand upon the mural. Ms. Lopez said that she will be employing individuals that were previously incarcerated for cannabis and will also look into hiring members of the DT Streets Team.

Ms. Lopez shared with Commissioner Stevens that patrons can visit her establishment by driving, walking, or taking public transportation since they are withing walking distance from BART. Ms. Lopez said she was required to conduct a traffic report for municipal parking lot #4 with the results that there would be adequate parking during peak times for the proposed dispensary. Ms. Alice Lin, attorney for proposed dispensary, said the traffic engineer's report includes the Institute of Transportation Engineers (ITE) trip generation analysis for three similar sized cannabis dispensaries and the report indicated that municipal parking lot #4 would not have any parking issues during peak times. Associate Planner Maravilla said that during the formation of the Downtown Specific Plan the



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municipal parking lots were examined and #4 results showed that it was underutilized. Mr. Maravilla also noted that he can obtain the results of the traffic survey from Public Works Engineering and Transportation Department.

Ms. Lopez described for Chair Bonilla her outreach efforts to surrounding businesses and the neighborhood and for the most part she received positive feedback. Ms. Lopez said she will be offering staff training to make sure they are a good fit for the establishment.

Chair Bonilla opened the public hearing at 7:33 p.m.

Mr. Kim Huggett, President Hayward Chamber of Commerce, spoke in favor of the proposed dispensary and stated that the Chamber thoroughly reviewed Aunty Honey's business plan and how the proposed dispensary will fill a vacant space in the downtown area. Mr. Huggett said that Aunty Honey's will be a benefit to the community as evidenced by their participation in handing out school supplies at last year's street party. Mr. Huggett confirmed for the Commission that the downtown area is not a thoroughfare for children and that Council in their wisdom decided that the cannabis dispensaries should be located in the downtown area.

Ms. Jackie Hayes, Hayward resident, spoke against the item as previous dispensaries have caused a lot of traffic impacts and problems as clients would purchase items and then party in the parking lots which made it very difficult for downtown residents. Ms. Hayes asked the Commission not to approve the item.

Ms. Laura Balcita, Hayward resident, spoke in favor of the proposed dispensary and Ms. Lopez's character and said she is trustworthy. Ms. Balcita spoke in favor of the proposed dispensary and there are laws and security measures in place to safeguard the Hayward community.

Ms. Roberta Moniz, Hayward resident and former Caltrans employee, spoke in favor of the proposed dispensary and how this will be a positive addition to the Hayward community. Ms. Moniz said as a former traffic manager she conducted her own traffic study and that the municipal parking lot is a great location. Ms. Moniz said Ms. Lopez was someone you can trust.

Ms. Marcella James, Hayward resident, spoke in favor of the proposed dispensary and how the applicant, as a community based small business, has worked hard to comply with the City's requirements. Ms. James said the parking lot will adequately serve the clients and will not cause traffic impacts to others, patrons will be able to access Aunty Honey's without a problem and the safety measures that will be in place will mitigate any issues.



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Ms. Lisa Stoick, Hayward resident, spoke about the positive character of Ms. Lopez and the positive aspects of medical marijuana. She said other cannabis delivery businesses do not always test their products. Ms. Stoick said Ms. Lopez will have quality tested products.

Chair Bonilla closed the public hearing at 7:50 p.m.

Commissioner Andrews said if there are issues with the dispensary residents can contact staff and Council. Ms. Andrews likes the project, there are lots of eyes on the parking lot and the art mural will be a great community benefit. Ms. Andrews supports the project.

Commissioner Faria thanked everyone for speaking on behalf of Ms. Lopez. Ms. Faria said the proposed dispensary application and information provided by staff was very thorough and the item is recommended by City staff. Ms. Faria said Aunty Honey's will be a great resource for the Hayward community and she supports the item.

Commissioner Stevens said he has concerns about the traffic impacts and his concern is whether the dispensary will be a compatible land use for the downtown area. Mr. Stevens said that studies have shown that cannabis dispensaries generate about ten times the amount of traffic than a typical retail establishment. Mr. Stevens said that he does not have access to the traffic study that was performed and can only go by his experience with the dispensary on Foothill Boulevard. Mr. Stevens does not support the proposed dispensary.

Commissioner Roche said staff and the applicant have done a lot of hard work to get to this point and that the operating plan is extensive. Ms. Lopez's roots run deep in the Hayward community. Ms. Roche said with adequate parking lot management any parking issues can be mitigated and traffic in the downtown area will be a plus for all the businesses in the downtown area. Ms. Roche said the building improvements are positive for the downtown area and wishes the applicant good luck with this business endeavor. Ms. Roche supports the proposed dispensary.

Commissioner Goldstein noted that two years is a long time for a business application and that the cannabis businesses are new for everyone. The City had to review the State laws prior to establishing City regulations for the best interest of the Hayward community. Mr. Goldstein said that personally he has lost loved ones to addiction. Mr. Goldstein said that part of the business plan includes helping clients deal with addiction and navigate difficult times and he hopes that Ms. Lopez keeps her promise to do this.

Chair Bonilla said there were a lot of speakers who spoke highly of Ms. Lopez, that she has deep connections to the Hayward community, and is willing to invest in the Hayward community. Mr. Bonilla will be supporting the proposed dispensary and asked that the applicant keep an eye on both the security in the area and any potential traffic impacts. Mr.



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Bonilla said for the applicant to be cautious as he frequents B Street and can see people dropping people off and this can add to traffic impacts.

Commissioner Roche made a motion, seconded by Commissioner Andrews to approve the staff recommendation. The motion passed with the following vote:

AYES:	Commissioners Andrews, Faria, Roche, Goldstein Chair Bonilla
NOES:	Stevens
ABSENT:	Patton
ABSTAIN:	None

2. Proposed Cannabis Cultivation Use Located at 3166 Diablo Avenue (APN 439-0075-039-00) Requiring Approval of Conditional Use Permit Application No. 201805426. Hidden Farms (Applicant); Ancile Development Holdings LLC (Property Owners)

Associate Planner Maravilla provided a synopsis of the staff report and PowerPoint presentation.

Ms. Jessica Hunt, applicant, spoke about the proposed project.

In response to Commissioner Faria's question about the outcome of addressing neighbor's concerns, Ms. Hunt said that they conducted neighborhood outreach and wrote letters to all the neighbors according to the City's requirements of 300 feet of the surrounding area. Ms. Hunt said there were two concerns and the first neighbor had the wrong address. The second neighbor had odor concerns and Ms. Hunt assured the neighbor that they will have odor mitigation measures in place and provided a description of their odor mitigation measures. Ms. Hunt said that they assured the neighbors that this is not an illegal operation. Ms. Faria asked if there were concerns about impacts to water quality, Associate Planner Maravilla said staff has not received any comments from the Public Works Utilities Division. Mr. Maravilla said in the applicant's sustainability plan there are sections about water quality and a drip system. Mr. Anton B., applicant, said they have provided lists of the organic vitamins and cleaners they will be using, and the Utilities Division said if necessary, they can test the water that will be coming out of the warehouse.

Ms. Hunt explained for Commissioner Andrews the security plan for the facility and that one of the Hidden Farm's partner has extensive security experience. She said there will be security on-site during operations and security patrolling the area during off hours. They will have in place a security system that has a tracking element and there will be cameras throughout the facility and on the exterior of the building. Ms. Andrews asked about a



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social equity hiring program, Ms. Hunt responded that they do not discriminate and plan to hire locally. Ms. Hunt said their intention is to enrich the community.

Mr. Steven asked about the community benefit program and if the community will have an opportunity to review the performance of the applicant, Associate Planner Maravilla said once the proposed project is approved the applicant will have six months to set-up goals for a community benefit program and that the public can review information provided by the applicant.

Senior Assistant City Attorney Vigilia said the City is currently undergoing a review of the entire cannabis program which was presented to the City Council at a Work Session. The review is being conducted by an outside consultant and part of this review will be to evaluate and develop a system to track the achievement of the community benefit program. Mr. Vigilia said that Council has asked to have this review completed by the end of the calendar year.

Mr. Anton B. shared that Hidden Farm's CEO is part of a nonprofit program called Public Reckless which teaches at risk youth a trade. Hidden Farms would like to start this same program in Hayward.

Commissioner Roche asked about warehouse security, Ms. Hunt responded that with the substantial security measures and working with the Hayward Police Department, Hidden Farms will be able to mitigate any security concerns. Ms. Hunt said the next-door neighbor is excited to have Hidden Farms as a neighbor and to have the additional security measures for this area. Planning Manager Buizer said inspections are part of the requirements of the regulatory framework for a cannabis business.

Mr. Anton B. said staff will be hired locally, there will be nothing of value or cash on-site, and they will be working closely with the Hayward Police Department.

Commissioner Faria recommended Hidden Farms partner with programs that are already in place in Hayward for the community benefit program and mentioned Hayward's Regional Occupational Program.

In response to Chair Bonilla's questions regarding security and the business plan, the applicant said that there will be armed security guards, the cannabis will be grown on-site, and then sold to a distributor who then sells the product to retailers. Ms. Hunt shared that every plant will be tracked.

Having no public speakers, Chair Bonilla opened and closed the public hearing at 8:25 p.m.



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777 B Street, Hayward, CA 94541**

Commissioner Goldstein said because of personal reasons, he will be not be supporting this item. Mr. Goldstein said he has a difficult time supporting businesses that do not support clean living. He admires what the applicant has proposed and from a business perspective everything they have presented is outstanding.

Commissioner Roche said that this is a new world and the City has done a lot research on the cannabis industry and that cannabis is now legal. Ms. Roche said the applicant has met all the City's requirements to set-up the proposed cannabis warehouse and will be hiring locally. Ms. Roche does not see any reason to deny the application. Ms. Roche supports the item.

Commissioner Stevens said this is a good example of a project of compatible land use, it is well-planned, and he supports the item. Mr. Stevens thanked the applicant for coming to Hayward.

Mr. Anton B. responded to Chair Bonilla that the employees will have annual training on security, fire response, and evacuation. Mr. Bonilla said the plans are well thought out and is glad that security is a priority for the applicant. Mr. Bonilla supports the item.

A motion was made by Commissioner Faria, seconded by Commissioner Roche, to approve the staff's recommendation.

The motion passed with the following vote:

AYES:	Commissioners Stevens, Andrews, Faria, Roche Chair Bonilla
NOES:	Goldstein
ABSENT:	Patton
ABSTAIN:	None

APPROVAL OF MINUTES

3. Approval of minutes of the Planning Commission Meeting Minutes of January 9, 2020.

Commissioner Goldstein made a motion, seconded by Commissioner Stevens, to approve the Planning Commission Meeting Minutes of January 9, 2020. The motion passed with the following votes:

AYES:	Commissioners Stevens, Andrews, Faria, Roche, Goldstein Chair Bonilla
NOES:	None



**MINUTES OF THE REGULAR MEETING OF THE
CITY OF HAYWARD PLANNING COMMISSION
Council Chambers
Thursday, January 23, 2020, 7:00 p.m.
777 B Street, Hayward, CA 94541**

ABSENT: Patton
ABSTAIN: None

COMMISSION REPORTS

Oral Report on Planning and Zoning Matters:

There were none.

Commissioners' Announcements, Referrals:

Commissioner Andrews announced a Keep Hayward Clean and Green Task Force Clean-up Event at Mount Eden Park.

ADJOURNMENT

Chair Bonilla adjourned the meeting at 8:32 p.m.

APPROVED:

Julie Roche, Secretary
Planning Commission

ATTEST:

Denise Chan, Senior Secretary
Office of the City Clerk