

**PLANNING COMMISSION MEETING  
THURSDAY, MAY 13, 2021**

**DOCUMENTS RECEIVED AFTER  
PUBLISHED AGENDA**

## **ITEM #1 PH 21-040**

**Proposed Development of Two New Drive-Through Restaurants and a Significant Exterior and Interior Remodel of an Existing 94,500-Square-Foot Commercial Building Requiring Approval of a Conditional Use Permit, Site Plan Review, and Various Warrants and Exceptions from the South Hayward BART Form-Based Code. Application No. 202002474.**

**Located at 26231 Mission Boulevard**

**Staff Response to Commissioners Questions**

**&**

**Public Comments**



## May 13, 2021 – Planning Commission Questions

ITEM #	QUESTION	STAFF RESPONSE
#1	<p>The Staff Report does not include any fiscal or economic impact data for the Project.</p> <p>Do we know how much additional tax revenue would approval of this application generate?</p> <p>Estimated Sales tax?</p> <p>Estimates Property taxes?</p> <p>Do we expect an increased demand on city services?</p>	<p>Sales Tax is an excise tax imposed on retailers for the privilege of selling or leasing tangible personal property. The Use Tax is an excise tax imposed for the storage, use, or other consumption of tangible personal property purchased from any retailer. The proceeds of sales and use taxes imposed within the boundaries of Hayward are collected and distributed by the State to various agencies, with the City of Hayward receiving the equivalent of 1 percent of the amount collected.</p> <p>Currently, the project site is vacant and has not generated any sales tax revenue since the Kmart store closed in January 2020. Due to the proprietary nature of the data, sales tax revenue from single users are not made public. However, according to the City's financial consultants, the three new proposed tenants combined are expected to generate between \$100,000 to \$185,000 annually in new sales tax revenue to the City. Most of this revenue would be created by the proposed drive-through restaurants. Grocery stores typically do not generate large amounts of sales tax since grocery items are exempt. However, "hot prepared food" from a grocery store is subject sales tax. In fact, either of the restaurants alone are projected to generate twice as much sales tax revenue than the grocery store. This total estimate does not account for the seven other tenant spaces that are proposed as users have not been identified.</p> <p>Property tax revenues are the City's largest General Fund revenue source, comprising approximately one-third of General Fund revenues. The City's property tax is collected by Alameda County, and the City</p>

		<p>currently receives approximately 16 percent of the 1 percent countywide real property tax levied.</p> <p>In the 2020-2021 tax year, the project site was assessed \$243,794.68 in property taxes by the Alameda County Assessor's Office. This yielded approximately \$39,000 in property tax revenue to the City. In the absence of an estimate of the value of building permits, which would likely trigger reassessment of the property tax basis, staff cannot yet forecast the increase in property tax revenue to the City resulting from the project. It is reasonable to expect the value and subsequent revenue to the City will increase as improvement to the land and buildings are completed.</p> <p>City staff is not anticipating an increased demand for city services beyond the typical utility infrastructure and connections. The project site was 100% commercial retail when the site was formerly owned and operated by Kmart, and with the proposed project the site will remain as 100% commercial through the means of an adaptive reuse of the existing structure. There will not be a residential component associated with this project that may cause an increased demand for public safety and utilities.</p>
#1	Will the new traffic signal be synchronized with the signal at Mission/Harder?	Yes. Per Conditions of Approval #72 and 73, the new traffic signal at the intersection of Harder/Dollar will be integrated into the SCATS traffic control system to ensure all intersections are coordinated between Jane Avenue and Mission Boulevard.
#1	How is this site zoned in the newest FBC? Is it 100% commercial in the new FBC?	The project site is currently zoned Mission Boulevard – Corridor Center (MB-CC) with a COMM 1 overlay which requires ground-floor commercial throughout the site. The current MB-CC zoning does allow for mixed-use residential development; however, ground-floor residential units are not permitted with the COMM 1 overlay.

**From:** Minane Jameson <[REDACTED]>  
**Sent:** Thursday, May 13, 2021 10:44 AM  
**To:** Miriam Lens <[Miriam.Lens@hayward-ca.gov](mailto:Miriam.Lens@hayward-ca.gov)>  
**Cc:** Marcus Martinez <[Marcus.Martinez@hayward-ca.gov](mailto:Marcus.Martinez@hayward-ca.gov)>  
**Subject:** Please forward the following to Planning Commissioners

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*Good Morning Miriam,*

*I'd be most grateful if at your earliest convenience you could forward my comments below to the Planning Commissioners.*

*Thank you,  
Minane Jameson*

Dear Planning Commissioners,

I want to add my support for the project located at 26231 Mission Blvd that is on your agenda this evening. While I normally do not like 'drive-through' restaurants, I do appreciate the need for them at this time and at this location.

Thank you for your consideration,

Minane Jameson

**From:** Kelly Sullivan <[REDACTED]>  
**Date:** May 13, 2021 at 10:17:24 AM PDT  
**To:** Sara Buizer <[Sara.Buizer@hayward-ca.gov](mailto:Sara.Buizer@hayward-ca.gov)>  
**Subject:** Public comment for agenda item: PH21-040

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Hi Sara,  
Regarding the proposed Development of Two New Drive-Through Restaurants and a Significant Exterior and Interior Remodel of an Existing 94,500-Square-Foot Commercial Building Located at 26231 Mission Boulevard, I am in favor of the development plans. It will be nice for Hayward to have more grocery stores with healthy, organic food options versus having to go to Fremont or Castro Valley. I was hoping to see more upscale dining options or healthier convenient food options; ie. Chipotle, Baja Fresh, Natural Cafe, in Hayward but the two options proposed seem to reach a broad spectrum of people. In and Out's are notorious for long drive-thru lines. I hope great detail is taken into consideration to minimize the potential traffic jams this may cause on an already congested Mission Blvd.  
Thank you.  
Kelly Sullivan

From: Diana Thornton <[REDACTED]>  
Sent: Thursday, May 13, 2021 8:00 AM  
To: Marcus Martinez <Marcus.Martinez@hayward-ca.gov>  
Subject: Old k-Mart site on Mission

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I am delighted to hear about plans for development of that area to include Sprouts and two fast food options. Please move ahead quickly on this project so it does not become another Holiday Bowl eyesore.

Thank you.

Diana Thornton

**From:** [REDACTED]

**Date:** May 12, 2021 at 8:48:06 PM PDT

**To:** Sara Buizer <[Sara.Buizer@hayward-ca.gov](mailto:Sara.Buizer@hayward-ca.gov)>, [amendall@att.net](mailto:amendall@att.net), [ray.bonilla@gmail.com](mailto:ray.bonilla@gmail.com), [zoquenda@gmail.com](mailto:zoquenda@gmail.com), [dgold94544@gmail.com](mailto:dgold94544@gmail.com)

**Subject:** KMART proposal

**Reply-To:** [REDACTED]

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Hi Sara:

I could not find Marcus Martinez's email so please pass this on to the Planning Commission.

I had the honor of serving on the City Council for 12 years and the Planning Commission for 6 years. I am currently a Hayward homeowner and live in Schafer Park at the end of Harder.

I support the proposal for the KMART site. A Sprouts would be a great addition to the grocery market in Hayward (especially if they bring their great salad bar back).

Raising Canes is another great addition. It will be the first in the Bay Area.

I think the one concern is the late hours at the two fast food restaurants. There is the new condo project across Harder (which looks great by the way). There are already some large trees on the site on Harder Rd- they should be kept and more should be added. Maybe a wall too.

This is a solid plan. If Hayward turns it down, it will be vacant for decades.

Thanks,  
Kevin Dowling



**From:** Carl Gorringer <[REDACTED]>  
**Sent:** Wednesday, May 12, 2021 8:22 PM  
**To:** CityClerk <CityClerk@hayward-ca.gov>; Sara Buizer <Sara.Buizer@hayward-ca.gov>  
**Cc:** List-Mayor-Council <List-Mayor-Council@hayward-ca.gov>  
**Subject:** BART Station at Former Kmart Site? (5/13 Agenda Item 1)

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(Submitted for Public Comment for Planning Commission meeting on Thurs 5/13/21)

Dear Planning Commission & Hayward City Council:

I write this to you perhaps a year too late, as I can see how far along the plans have progressed already.

My friend Rocky Fernandez, a former AC Transit Director, mentioned on social media recently that the former Kmart site at Mission & Harder could be an infill BART station. WOW, I thought, you mean Hayward could actually have a 3rd BART station here?

Why not? Fremont's building a 3rd station at Irvington. Why not Hayward?

This is a unique opportunity to create a new "CSU East Bay" BART station and Student Village! Let's make it walkable like Oakland's Fruitvale station, including a grocery store and cafe, with ground-floor retail, a courtyard and student housing on top!

This lot is right along the tracks, which are ground-level, so a station shouldn't be too expensive to build. Besides the city likely wouldn't need to put up any money, and it could possibly be paid for with funds from the Biden administration's new infrastructure bill.

It's located about halfway between Downtown Hayward (1.7 miles) and the South Hayward (1.25 miles) BART stations. This is not unusually short, as you can compare this to the SF Mission District's 16th & Mission which is (0.87 miles) from 24th & Mission, and (1.0 mile) from Civic Center, and compared to stations in Downtown Oakland.

If you think "but we're not SF!", we SHOULD be thinking more like a city, and less like a suburb, because Hayward really is already more like a city! We need to plan for more walkable communities and reducing our car use, not only for the environment, but because we already have way too much traffic here in our car-centric city. Like SF, this area could be our very own "Mission District".

Just a few weeks ago, during the April 22nd Economic Development Committee meeting, a developer proposed a mixed student-housing and retail project for the Mission Crossings site. I liked their plan, including the Innovation Center, but I think it would be much better if located at this new Student Village and BART station!

Their plan included a parking garage. Unbundled parking would work really well here, as students wouldn't need to own cars having everything that they need, parking spots can be efficiently re-allocated between housing, BART, and retail parking.

The campus shuttle bus could make more efficient trips between this new station and campus.

It'll provide easy BART access to the neighborhood along Whitman St.

I really wish we thought of this earlier. Is it too late? Clearly no one had brought up this possibility as none of the comments that I've read include mention of such an idea. If someone had, I'm willing to bet it would have overwhelming support!

Beef takes 28 times more land to produce than pork or chicken, 11 times more water, and produces 5 times more CO2 emissions. [1] As tasty as In-In-Out Burgers may be, their lack of alternatives and long drive-thru lines are not good for the environment.

We have plenty of drive-thru fast-food restaurants already! There's a McDonald's right next door. We need to design for walk-ability, and less for cars.

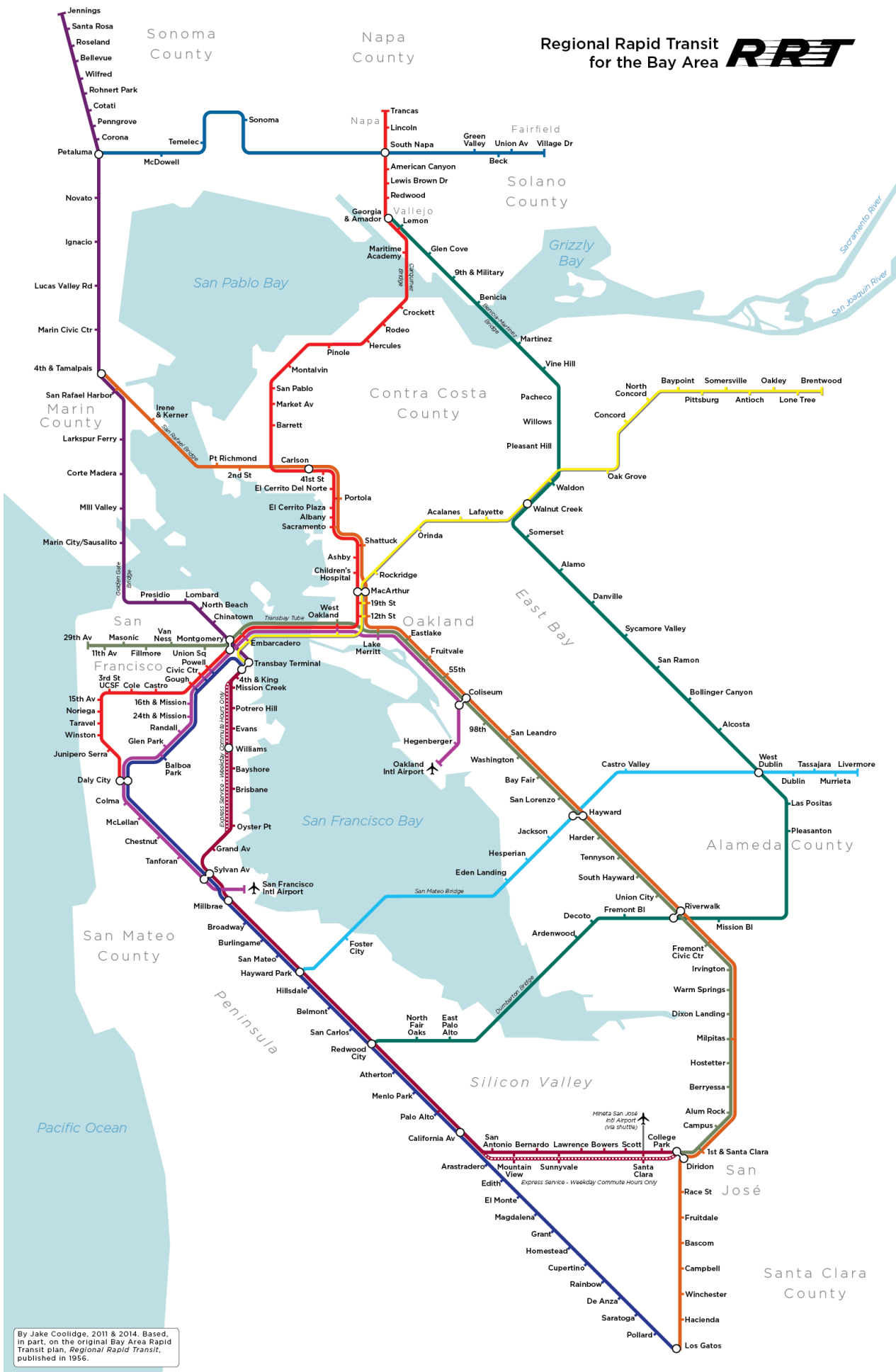
What we have here is a ONCE IN A LIFETIME opportunity to add a 3rd BART station to Hayward. It's too bad that we're squandering it on a couple of drive-thru fast-food restaurants.

Thank You,  
Carl Gorringe  
Downtown Hayward resident

PS. Please see "Harder" station on the included transit map. :-)

[1] <https://www.theguardian.com/environment/2014/jul/21/giving-up-beef-reduce-carbon-footprint-more-than-cars>

Regional Rapid Transit **RRT**  
for the Bay Area



By Jake Coolidge, 2011 & 2014. Based, in part, on the original Bay Area Rapid Transit plan, *Regional Rapid Transit*, published in 1956.

**From:** Didacus Ramos <[REDACTED]>

**Date:** May 13, 2021 at 7:14:02 AM PDT

**To:** CityClerk <[CityClerk@hayward-ca.gov](mailto:CityClerk@hayward-ca.gov)>, List-Mayor-Council <[List-Mayor-Council@hayward-ca.gov](mailto:List-Mayor-Council@hayward-ca.gov)>, Sara Buizer <[Sara.Buizer@hayward-ca.gov](mailto:Sara.Buizer@hayward-ca.gov)>

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I write in support of this idea for the KMART site. It would serve the community best.  
If you need an example of what could be built I suggest USC Village in Los Angeles.

Didacus

Begin forwarded message:

**From:** Carl Gorringer <[REDACTED]>

**Subject:** BART Station at Former Kmart Site? (5/13 Agenda Item 1)

**Date:** May 12, 2021 at 8:21:41 PM PDT

**To:** CityClerk <[cityclerk@hayward-ca.gov](mailto:cityclerk@hayward-ca.gov)>, [Sara.Buizer@hayward-ca.gov](mailto:Sara.Buizer@hayward-ca.gov)

**Cc:** Hayward City Council <[List-Mayor-Council@hayward-ca.gov](mailto:List-Mayor-Council@hayward-ca.gov)>

(Submitted for Public Comment for Planning Commission meeting on Thurs 5/13/21)

Dear Planning Commission & Hayward City Council:

I write this to you perhaps a year too late, as I can see how far along the plans have progressed already.

My friend Rocky Fernandez, a former AC Transit Director, mentioned on social media recently that the former Kmart site at Mission & Harder could be an infill BART station. WOW, I thought, you mean Hayward could actually have a 3rd BART station here?

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This lot is right along the tracks, which are ground-level, so a station shouldn't be too expensive to build. Besides the city likely wouldn't need to put up any money, and it could possibly be paid for with funds from the Biden administration's new infrastructure bill.

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If you think "but we're not SF!", we SHOULD be thinking more like a city, and less like a suburb, because Hayward really is already more like a city! We need to plan for more walkable communities and reducing our car use, not only for the environment, but because we already have way too much traffic here in our car-centric city. Like SF, this area could be our very own "Mission District".

Just a few weeks ago, during the April 22nd Economic Development Committee meeting, a developer proposed a mixed student-housing and retail project for the Mission Crossings site. I liked their plan, including

the Innovation Center, but I think it would be much better if located at this new Student Village and BART station!

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It'll provide easy BART access to the neighborhood along Whitman St.

I really wish we thought of this earlier. Is it too late? Clearly no one had brought up this possibility as none of the comments that I've read include mention of such an idea. If someone had, I'm willing to bet it would have overwhelming support!

Beef takes 28 times more land to produce than pork or chicken, 11 times more water, and produces 5 times more CO2 emissions. [1] As tasty as In-In-Out Burgers may be, their lack of alternatives and long drive-thru lines are not good for the environment.

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What we have here is a ONCE IN A LIFETIME opportunity to add a 3rd BART station to Hayward. It's too bad that we're squandering it on a couple of drive-thru fast-food restaurants.

Thank You,  
Carl Gorringe  
Downtown Hayward resident

PS. Please see "Harder" station on the included transit map. :-)

[1] <https://www.theguardian.com/environment/2014/jul/21/giving-up-beef-reduce-carbon-footprint-more-than-cars>

**From:** Xandr Stack <[REDACTED]>

**Sent:** Wednesday, May 12, 2021 6:33 PM

**To:** CityClerk <CityClerk@hayward-ca.gov>

**Subject:** Re: Planning Commission Hearing 2021-05-13 - Public Comment - Agenda Item #1

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Dear Planning Commissioners

I am writing to ask you to approve the redevelopment at 26231 Mission Boulevard, Assessor Parcel Nos. 452-0020-009-01 and 452-0020-006-10. As a resident of the SoHay community just down the street from the project we desperately need the restaurants and shops that are proposed. Currently we drive 20+ minutes to Fremont or Castro Valley for groceries with nothing close enough to take the local busses despite having a stop right outside our community. This development's location is 1.5 miles from SoHay and would reduce the need for private automobile traffic for essential services.

I wholeheartedly ask you to approve the development as currently proposed.

Sincerely,

XANDR STACK  
SoHay Resident  
[REDACTED]

**From:** Boston Rizal Palacios <[REDACTED]>  
**Sent:** Wednesday, May 12, 2021 9:10 AM  
**To:** CityClerk <CityClerk@hayward-ca.gov>  
**Subject:** Hayward Planning Commission Meeting Today - Agenda No. 1

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Hello,

I am emailing to express my support for the remodel of the K-Mart on Mission Blvd. and Harder Rd. and the possible In-N-Out and Raising Cane's. As a graduate of Moreau Catholic High School, I know that those two restaurants (in addition to whatever other stores will occupy the center) will be immensely popular to the students of Moreau, St. Clement, Harder Elementary, CSUEB, and others. I just hope that the planners plan enough space within the center for the drive-thrus of each restaurant so that Mission/Harder is not blocked.

Furthermore, I'd like to also express my support for a Sprouts Farmers Market to anchor the center. As a current Sprouts team member, I love the store and there is such a huge gap in the East Bay between the Oakland and Newark locations. A Hayward location would be perfect for the Hayward community and also neighboring cities who won't have to drive too far to get organic and fresh produce and other groceries.

Thank you for your time,  
Boston Palacios

**From:** Alberto Barrera <[REDACTED]>

**Sent:** Tuesday, May 11, 2021 8:37 AM

**To:** CityClerk <CityClerk@hayward-ca.gov>

**Subject:** Re: Planning Commission Hearing 2021-05-13 - Public Comment - Agenda Item #1

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Dear Planning Commissioners

I am writing to ask you to approve the redevelopment at 26231 Mission Boulevard, Assessor Parcel Nos. 452-0020-009-01 and 452-0020-006-10. As a resident of the SoHay community just down the street from the project I am looking forward to utilizing the restaurants and shops that are proposed. We are desperately in need of a high-end grocery store near our community and this development proposes the appropriate space and parking to attract such a store. Existing drive-through restaurants in Union City are overflowing at all hours and this proposal's drive-throughs will provide relief to the current crowding.

I wholeheartedly ask you to approve the development as currently proposed.

Sincerely,

Alberto Barrera  
SoHay Resident



**From:** Rita Duncan <[REDACTED]>

**Sent:** Tuesday, May 11, 2021 1:58 PM

**To:** Marcus Martinez <Marcus.Martinez@hayward-ca.gov>

**Cc:** Marcella Smith <[REDACTED]>

**Subject:** Re: Kmart Site Redevelopment Project - Hayward Planning Commission Agenda May 13, 2021

**Importance:** High

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Hello Mr. Martinez,

Thank you for your email. Please find attached a letter supporting the redevelopment of the former Kmart site to include a conventional grocery store. Please let me know if you have any questions or need additional information.

Regards,

Rita Duncan

President

Hayward/South Alameda County BWOPA Chapter

[REDACTED]

May 8, 2021

To: Hayward City Council  
From: Hayward/South County BWOPA Chapter  
Re: Retail Shopping Center Development – Old K-Mart Site

The Hayward/South Alameda County Black Women Organized for Political Action (BWOPA) Chapter strongly supports the approval by Hayward City Council of the development of a retail shopping center at Mission Boulevard and Harder Road. Hayward is exponentially developing with multiple housing developments in areas which have insufficient conventional grocery stores and high-end drive through restaurants. The approval of this retail center will begin to address this problem in the City of Hayward.

We acknowledge there are many small specialty grocery stores in Hayward which in our opinion do not address the major shopping needs of the community which a conventional grocery store will be able to help solve.

It is also our understanding that the City has been attempting to address this issue for the past ten years. Hopefully, the Hayward City Council will be able to vote favorable on the development of a retail shopping center on the old K-Mart site.

**From:** JAn <[REDACTED]>

**Sent:** Tuesday, May 11, 2021 7:14 PM

**To:** Marcus Martinez <Marcus.Martinez@hayward-ca.gov>

**Subject:** Re: Kmart Site Redevelopment Project - Hayward Planning Commission Agenda May 13, 2021

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Hello Mr. Martinez,

Thank you for the information, we really appreciate it! So Glad to hear that Hayward Will finally have a Sprouts market!! We all have had to go to Dublin Sprouts for a long time and it is so crowded let alone far away from us. Also, everyone is happy to hear we will have an In and Out Burger finally! So happy to hear that the city Council/ and or Planning Commission has finally stopped putting housing on empty spaces. The council has no idea how thousands of us are so angry about all the housing that is going up on Mission Boulevard and the traffic Will be horrendous. We have friends that are moving out of Hayward because of this. Also those friends have friends that are doing the same. With the loss of Food Source, people in the Hayward area and in the Hayward hills are hoping for another grocery store besides Luckys and Safeway's.

Thank you for taking the time to read this. Please pass this on to the appropriate people.

Again, thank you.

J M F

**From:** Mimi Bauer <[REDACTED]>

**Sent:** Monday, May 10, 2021 10:52 AM

**To:** Marcus Martinez <Marcus.Martinez@hayward-ca.gov>

**Subject:** Re: Kmart Site Redevelopment Project - Hayward Planning Commission Agenda May 13, 2021

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Hello Marcus,

I only just got around to sending out a message to the community about needing to get back to you on commenting on the whole project. I hope that they are able to do it in time. If not, please note that when the word came out about the two fast food places there was acceptance of them. A few were not overjoyed by having fast food places but were glad to see better quality and different ones and accepted that they were needed for the project to work. We did not realize that we needed to restate concurrence for them again with acceptance of the larger portion of the project and the notice about this project has come out rather close to the meeting.

I can share that on Nextdoor, the support for the project has been overwhelming. A few people would have preferred a Trader Joes, or another grocery store but are more than happy to have the Sprouts and plan to shop there. There was great relief expressed that they were getting a decent grocery store and that there was no housing to be included in the project. I think I can say that the community at large is highly supportive of the project as noted in the attached notification.

Best Regards,  
Mimi Bauer,  
FWPNA, President

**From:** [Anonymous]

**Sent:** Sunday, May 9, 2021 10:10 AM

**To:** Marcus Martinez <Marcus.Martinez@hayward-ca.gov>

**Subject:** Re: Kmart Site Redevelopment Project - Hayward Planning Commission Agenda May 13, 2021

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Thanks Marcus!

Sprouts would be nice. I thought Whole Foods would've been a good retail store there too.

I'm looking forward to the InNout since I'm always having to go to Union Landing, which isn't so bad but the old Kmart location would be more convenient.

-[Anonymous]