

**DRAFT FINDINGS FOR MAJOR SITE PLAN REVIEW
AND CONDITIONAL USE PERMIT NO. 202003917
DEVELOPMENT OF AN INDUSTRIAL CAMPUS COMPOSED OF TWO
SHELL BUILDINGS TOTALING APPROXIMATELY 233,000 SQUARE FEET
AND 155,000 SQUARE FEET WITH RELATED SITE IMPROVEMENTS
AND APPROVAL OF A MITIGATED NEGATIVE DECLARATION
FOR DERMODY PROPERTIES AT 25450-25550 CLAWITER ROAD, HAYWARD**

CALIFORNIA ENVIRONMENTAL QUALITY ACT

- A. Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15220, an Initial Study (IS) was prepared for this project with the finding that a Mitigated Negative Declaration (MND) was appropriate because all potential impacts could be mitigated to a level of less than significant with the implementation of Mitigation Measures that were incorporated as conditions of approval for the Project.
- B. That the proposed MND was prepared by Rincon Consultants Inc., on behalf of the City of Hayward acting as the Lead Agency, and that the MND was circulated with a minimum twenty (30) day public review period between September 24, 2021, and October 25, 2021.
- C. The City received letters from the Sierra Club, San Francisco Bay Chapter and their legal representatives, the Alameda Labor Council AFL-CIO and dozens of residents urging the City to prepare an EIR for an Amazon Last Mile Facility at the subject site. The City prepared a formal response to all opposing comments which was included as an attachment to the staff report finding that the environmental analysis prepared for the project is adequate and consistent with CEQA guidelines. Further, the establishment of an Amazon Last Mile Facility (considered a Truck Terminal in the Zoning Ordinance) is not a component of the proposed project and would be subject to a separate Conditional Use Permit process.
- D. That the proposed MND was independently reviewed, considered and analyzed by the Planning Commission and reflects the independent judgment of the Planning Commission; that such independent judgment is based on substantial evidence in the record; that the Planning Commission adopts the proposed MND and its findings and conclusions as its source of environmental information; and that the proposed MND is legally adequate and was completed in compliance with CEQA.
- E. That the proposed MND identified all potential adverse impacts and mitigation measures to reduce the effects of such impacts in the areas of Biological Resources, Cultural Resources, Geology & Soils, Greenhouse Gases, Hazards and Hazardous Materials, Transportation/Traffic and Tribal Cultural Resources. Based on the MND

and the whole record before the Planning Commission, there is no substantial evidence that the project will have a significant effect on the environment.

- F. That the project complies with CEQA, and that the proposed MND was presented to the City Council, which reviewed and considered the information contained therein prior to approving the project. The custodian of the record of proceedings upon which this decision is based in the Development Services Department of the City of Hayward located at 777 B Street, Hayward, CA 94544.

MAJOR SITE PLAN REVIEW

Pursuant to Hayward Municipal Code (HMC) Section 10-1.3081, the approving authority may approve or conditionally approve the application for Major Site Plan Review for the approximately 20.4-acre industrial campus when all of the following findings are made:

A. The proposed development is consistent with the General Plan, Zoning Ordinance, Design Guidelines, and any other applicable plan or program.

The proposed development would meet *Hayward 2040 General Plan* goals and policies related to the Industrial Technology and Innovation Corridor (Industrial Corridor) land use designation in that the proposed industrial campus would result in redevelopment of a vacant site into a new economic and employment center that would expand the employment base in Hayward (Land Use Goal 6), and in that the proposed development would enhance the visual character of the site by employing building and site design strategies, including employee amenities (Land Use Policies- 6.6, 6.7 and 6.8).

The proposed industrial campus including the two industrial speculative warehouses and related site improvements meets the standards and requirements set forth in the IG (General Industrial) District. Specifically, the site meets minimum lot requirements; the buildings meet the setbacks, Floor Area Ratio (FAR) and maximum height for structures; and the proposed site improvements including parking, circulation, employee amenity areas and landscaping all meet or exceed minimum requirements set forth in the Municipal Code. In addition, the proposed development meets the Hayward Industrial District Design Guidelines in that:

- The buildings are designed to create a cohesive visual relationship to each other, to the site landscaping, pedestrian and vehicular circulation and employee amenities to create an industrial campus.
- The development is designed with primary building entrances that are oriented toward the street frontage and the building entrances include substantial glazing and sculptural design elements.

- The building massing is broken up both horizontally and vertically with color, score lines, roof line variations, wall sculptures and trellises that create complexity and differentiation.
- There are internal continuous pedestrian connections that run from the sidewalk and right-of-way, around the buildings and to each of the employee amenity areas and short-term bicycle parking located near building entrances.
- The employee amenity areas and open spaces incorporate unique design elements such as scored and color concrete, seating areas, decorative bike racks, and a location for on-site food truck parking.
- Loading docks and truck parking is located to the sides and rear of the buildings to minimize visual and other nuisances; and, trash enclosures are designed with walls, roofs and are screened behind the buildings.

B. The development is consistent with the purpose, intent, and standards of the applicable zoning district and General Plan or Specific Plan designation and applicable design guidelines.

As detailed in Finding A above, the proposed industrial campus meets the applicable standards set forth in the Industrial Corridor General Plan land use designation, the applicable IG District and Industrial Design Guidelines.

The proposed industrial campus is also consistent with the purpose and intent of those regulations in that the proposed development would signal a major investment in the City that would be capable of attracting advanced manufacturing and other high tech uses; and in that, the high quality site and building design and provision of employee amenities would provide a desirable working environment that would be compatible with and complementary to the surrounding industrial neighborhood and district as a whole; and in that, the proposed development focuses on well design frontages along the Clawiter Road key corridor, as required by the IG District.

C. The subject site is physically suitable for the type and intensity of the land use and development being proposed.

The approximately 20.4-acre, flat, triangular site is suitable for the scale and intensity of the proposed development which consists of two buildings set perpendicularly to each other to break up the building massing and frontage along Clawiter Road. The proposed FAR, which measures the intensity of the proposed land use, is 0.43, is well under the 0.8 permitted FAR. Further, the proposed building design includes strategies to break up the building massing and increase complexity along the frontage such as inclusion of vertical and horizontal color planes, score lines, differentiated materials, glazing and awnings around entrances and metal sculptural elements. The buildings are surrounded by vehicular and pedestrian circulation, robust landscaping and employee amenities which are dispersed

throughout the site to create an industrial campus with walking paths, various areas for respite, and a mix of hard and softscapes.

D. The proposed development will be compatible with the planned land use character of the surrounding area and make a positive impact to the site and surrounding area.

The redevelopment of the subject site will signal a significant investment in the property and industrial area thus resulting in a positive impact to the site and surrounding area. The proposed industrial campus which includes well designed buildings and site improvements such as robust landscaping and employee amenities that would be visible from Clawiter Road would be compatible with and complementary to other new large-scale industrial developments approved in the area (such as the former Gillig site to the south of the project site).

E. The proposed development will not have a substantial adverse effect on surrounding development and land uses.

The project site is surrounded by industrial structures constructed between 1959 and 1982 that contain a variety of industrial uses including warehousing, traditional manufacturing, contractor services and other general industrial uses. The proposed redevelopment will result in construction of new speculative warehouses that would contain uses compatible with the surrounding IG District. Further, any uses that would locate within the subject buildings would be subject to the Performance Standards set forth in the Industrial Districts regulations thus minimizing potential nuisances associated with potential future uses.

CONDITIONAL USE PERMIT

Pursuant to Hayward Municipal Code (HMC) Section 10-1.3225, the approving authority may approve or conditionally approve an application for Conditional Use Permit for the speculative industrial buildings that exceed 150,000 square feet when all of the following findings are made:

A. The proposed use is desirable for the public convenience or welfare.

The proposed use which includes development of two speculative industrial buildings over 150,000 square feet is desirable for the public convenience and welfare in that large-scale warehouses and distribution facilities are necessary to provide consumers with goods and services in a convenient and timely manner. Since the buildings are speculative, an end user/tenant(s) have not been identified, a condition of approval would require that future uses follow the use regulations set forth in the General Industrial District. As described in

Major Site Plan Review Finding C above, the proposed scale and intensity of the warehouse buildings is appropriate for the site.

B. The proposed use will not impair the character and integrity of the zoning district and surrounding area.

The proposed industrial campus is consistent with the purpose and intent of the Industrial Corridor General Plan land use designation and the IG District in that the proposed development would provide a major investment in the area by creating a new employment center to attract advanced manufacturing and other high tech uses; and in that, the high quality site and building design and provision of employee amenities would provide a desirable working environment that would be compatible with and complementary to the surrounding industrial neighborhood and district as a whole; and in that, the development standards for the IG District focuses on well design frontages along key corridors such as Clawiter Road.

The project site is surrounded by industrial structures constructed between 1959 and 1982 that contain a variety of industrial uses including warehousing, traditional manufacturing, contractor services and other general industrial uses. The proposed redevelopment will result in construction of new speculative warehouses that would contain uses compatible with the surrounding IG District and will signal a significant investment in the property and industrial area thus resulting in a positive impact to the site and surrounding area.

C. The proposed use will not be detrimental to the public health, safety, or general welfare.

The proposed use of the speculative industrial buildings that exceed 150,000 square feet in size will not be detrimental to the public health, safety or general welfare provided that future uses follow the use regulations set forth in the General Industrial District. In the event that a proposed use for one or both of the speculative industrial buildings is subject to an Administrative or Conditional Use Permit, site and business specific plans will be reviewed and evaluated for conformance with the City's regulations, conditions may be added to reduce or eliminate potential nuisances and the appropriate deciding authority would determine if the proposed use would be permitted or not permitted based on the project specific submittal.

D. The proposed use is in harmony with applicable City policies and the intent and purpose of the zoning district involved.

As detailed in the Findings above, the proposed industrial campus meets the applicable standards set forth in the Industrial Corridor General Plan land use designation, the applicable IG District and Industrial Design Guidelines.

The proposed industrial campus is also consistent with the purpose and intent of those regulations in that the proposed development would signal a major investment in the City that would be capable of attracting advanced manufacturing and other high tech uses; and in that, the high quality site and building design and provision of employee amenities would provide a desirable working environment that would be compatible with and complementary to the surrounding industrial neighborhood and district as a whole; and in that, the proposed development focuses on well design frontages along the Clawiter Road key corridor, as required by the IG District.