



**DATE:** January 25, 2022

**TO:** Mayor and City Council

**FROM:** Assistant City Manager/Development Services Director

**SUBJECT:** Adopt a Resolution Authorizing the City Manager to Negotiate and Execute an Agreement with Mintier Harnish in an Amount Not to Exceed \$235,000 for the Development and Adoption of Objective Standards for Residential Development and Zoning Consistency Updates for the City of Hayward and Related Environmental Analysis

## **RECOMMENDATION**

That the Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute an agreement with Mintier Harnish for the development and adoption of objective standards for residential development and zoning consistency updates for the City of Hayward, including any related environmental analysis.

## **SUMMARY**

In 2019, the City of Hayward received an SB 2 Planning Grant from the State Department of Housing and Community Development (HCD) in the amount of \$310,000. Of this, \$235,000 is being designated for this project, with the remaining funds designated for a separate planning project related to updates to the City's Density Bonus Ordinance.

In light of recent State housing legislation, the City released a Request for Proposals (RFP) in November 2021 to develop a detailed set of objective standards for residential development that meet the State's criteria for objective standards, as well as identify any necessary zoning amendments and related environmental analysis, if required, to ensure consistency with the City's Hayward 2040 General Plan. Staff representing the City's Planning Division and Housing Division reviewed the one proposal received and interviewed the firm before confirming that Mintier Harnish is the capable and the preferred consultant team to complete the work. The total budget for the work is \$234,910, which includes a \$30,000 contingency to cover unanticipated costs.

This project is the City's opportunity to establish clear, unambiguous, internally consistent, and legally defensible residential design standards and development regulations that reflect the City's goals and objectives. The objective design and development standards will comply with the requirements of State law and set the stage for continued positive change

in the community. Staff anticipates having this project completed by late 2022, well ahead of the HCD deadline to expend all grant funding by the end of 2023.

## **BACKGROUND**

As was previously documented, the State of California is in the midst of a housing crisis in which communities throughout the state are being challenged with accommodating their fair share of housing production. The housing shortage prompted California to enact new laws in 2017 (SB 35, SB 167, AB 648) requiring cities and counties to streamline housing approval by establishing a by-right, ministerial approval process for multifamily residential development, and to provide an increased standard of proof to legally deny a lower- or moderate-income housing project.

In 2019, changes to the Housing Accountability Act (HAA) through the adoption of SB 330 and AB 1485 further limited a jurisdiction's ability to deny or reduce the density of housing projects that meet objective standards, while expanding SB 35 eligibility and protections under the HAA. Under these changes to State law, jurisdictions without a ministerial approval process have little say in the design of developments processed under the protections of the HAA. Key to the establishment of this process is the replacement of subjective design guidelines and discretionary review with objective standards and ministerial approval.

Additionally, the State recently adopted new legislation in 2021, including SB 9, SB 10, and SB 478, which directly limit a jurisdiction's ability to control certain density, lot size, and lot coverage requirements. The City, in collaboration with the hired consultant team, intend to develop the new set of objective standards for residential properties following an extensive public outreach effort that reflects recent changes to State law and helps further the goals and objectives of the City's Housing Element and *Hayward 2040 General Plan*.

### *Request for Proposals*

On November 5, 2021, the City released a Request for Proposals (RFP) to develop a detailed set of objective standards for all types of residential development that meet the State's criteria for objective standards. In addition, the project would complete targeted zoning updates and any related environmental analysis, if required, to ensure consistency between the Zoning Ordinance and the City's *Hayward 2040 General Plan*.<sup>1</sup>

In response to the RFP, the City received one proposal from Mintier Harnish. A committee of staff representing the City's Planning Division and Housing Division reviewed the proposal and interviewed the firm before confirming that Mintier Harnish is the capable and the preferred team to complete the work. Minter Harnish's Scope of Work and Proposed Budget are attached to this staff report as Attachment III.

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<sup>1</sup> Hayward Objective Standards for Residential Development and Zoning Consistency Updates Request for Proposals. <https://www.hayward-ca.gov/search/site/objective%20standards>

## DISCUSSION

### *Project Overview*

As previously discussed, the City of Hayward was awarded a SB 2 Planning Grant for housing related projects. A portion of the grant was awarded for a project with two components: 1) the development of detailed objective standards for all types of residential development that meet the State's criteria for objective standards, and 2) zoning amendments and related environmental analysis, if required, to ensure General Plan/zoning consistency for parcels in the city that are zoned for single family uses but have underlying General Plan designations that allow for higher densities.

The City's objectives for the project are as follows:

- Update the Zoning Ordinance to allow single family zoned properties the ability to develop in accordance with their underlying General Plan land use designations to simplify and streamline the development of these parcels
- Analyze the City's current objective standards for residential development and determine whether these are sufficient to meet the City's goals for development
- Explore options for and adopt new objective standards that address design, massing, neighborhood compatibility, parking, setbacks, and/or other topics identified as important by the community, stakeholders, decision makers, and staff
- Engage a wide range of community members and stakeholders, including communities that have limited or no access to technology, homeowners, renters, housing advocates, developers, architects, and community members who are hard to reach and/or do not typically participate in City processes

This project will support projects identified on the City's Workplan to Incentivize Housing and the Strategic Roadmap, including ensuring consistency between residential zoning districts and the adopted land use designations of the *Hayward 2040 General Plan*. While this effort is intended to address new statutory requirements, it will also include a robust community outreach and engagement plan that will extend throughout the project timeframe.

Per the RFP prepared for the project, community engagement and outreach will prioritize hard to reach populations and will collaborate with and empower the community throughout the project. Outreach activities will be conducted through a racial equity lens to ensure that the City engages with all segments of the community and that the proposed objective standards and zoning updates do not disproportionately impact communities of color. Special attention shall be given to communicating information clearly and succinctly and in multiple languages, as necessary, so that it is accessible and easy to understand.

### *Consultant Selection*

Staff found that Mintier Harnish and their subconsultants are a strong and experienced team, both in the preparation and adoption of objective development standards in other jurisdictions, but also in their commitment to community outreach, as demonstrated through their work on several local planning efforts. Mintier Harnish was the lead consultant team on

the update to the *Hayward 2040 General Plan*, and their subconsultants have worked on several large planning projects in the City of Hayward, including the development of the Downtown Specific Plan, update to the Industrial District zoning district and related Design Guidelines, as well as assisted with the consolidation and update to the City's Mission Boulevard Code. Overall, staff believes that Mintier Harnish is well qualified and has the staffing and expertise to lead this effort within the required budget and well within the required timeframe.

Following approval of this contract, City staff will finalize the contract and will conduct a joint Council/Planning Commission Work Session on February 1, 2022, to provide additional background on the project and to receive initial comments and thoughts as City staff, the community, and decision makers embark on this planning process.

### **STRATEGIC ROADMAP**

This agenda item supports the Strategic Priorities to Preserve, Protect and Produce Housing and Combat Climate Change. Specifically, this item relates to implementation of the following project(s):

- Preserve, Protect and Produce Housing – Project 9, Update the Housing Element Plan

### **FISCAL IMPACT**

Mintier Harnish's proposed budget is \$204,910, which can be covered by the City's allocated budget of \$235,000 for the project. Additionally, the consultant team has proposed a \$30,000 contingency to cover any unanticipated costs, bringing the total budget to \$234,910, all of which will be paid through the HCD SB2 Planning Grant awarded in 2019.

### **NEXT STEPS**

If the Council approves the attached resolution, staff will prepare an agreement to be executed between the City of Hayward and Mintier Harnish in a form approved by the City Attorney and hold a kick-off meeting in early February 2022.

*Prepared by:* Elizabeth Blanton, AICP, Senior Planner  
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Tera Maroney, Management Analyst

*Recommended by:* Jennifer Ott, Assistant City Manager/Development Services Director

Approved by:



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Kelly McAdoo, City Manager