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# MEMORANDUM

To:Jeremy LochircoFrom:John Anderson, Impact Sciences, Inc.Subject:Maple & Main Development and Environmental JusticeDate:May 27, 2022

Job No. 1324.003

#### PURPOSE OF THIS MEMORANDUM

The Maple & Main project was originally proposed in 2015. At the time, the site was occupied by a medical office complex consisting of three medical office buildings and one single-family residence, along with a large parking lot. This project proposes a high-density residential mixed-use development with on-site retail and amenities located near transit. The Hayward BART station is located within a half mile while a bus stop is located two blocks away. Given the location, the project is within walking distance of local retail establishments, schools, and employment centers in Downtown Hayward.

However, since City Council approved the Maple & Main project in 2017, the former property owner— Bay Area Property Developers, LLC—made no visible progress on development and failed to maintain the site free of trespassing, vandalism, other criminal activity, along with illegal occupation by people using its vacant structures for shelter. In December 2019, Alameda County Superior Court granted a City request to appoint a receiver to take control of the property, agreeing with Hayward that the property's condition presents a substantial danger to public safety. Subsequently, all buildings on the site were demolished.

In 2020, the City received a new application from the current owner to develop a residential mixed-use project at the site that increases the number of residential units from the previous proposal and includes additional ground floor retail uses. In 2022, the City received a density bonus application and revised site plan for the project.

This memorandum is prepared to document to all stakeholders how the currently proposed project addresses the societal priority of environmental justice. Note that this memorandum is <u>for informational purposes only</u>; it is <u>not a</u>

<u>requirement of the California Environmental Quality Act</u> ("CEQA"); and is <u>not</u> part of any required regulatory or permitting process. Rather, it presents how the project will serve this diverse and vibrant City and all residents, workers, businesses, service providers and visitors.

# INTRODUCTION

Since 1994, with the issuance by Executive Order 12898—Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations—Environmental Justice (EJ) has been an important part of planning for public agencies and private or non-profit developers.

# **Guiding Principles of Environmental Justice**

- To avoid, minimize, or mitigate disproportionately high and adverse human health and environmental effects, including social and economic effects, on minority populations and low-income populations.
- To ensure the full and fair participation by all potentially affected communities in the decisionmaking process for proposed projects.
- To prevent the denial of, reduction in, or significant delay in the receipt of benefits by minority and low-income populations.

In 2016, the California State Legislature passed Senate Bill (SB) 1000 into law, requiring local governments to identify environmental justice communities (called "disadvantaged communities") in their jurisdictions and address EJ in their General Plans. In June 2020, the Governor's Office of Planning and Research (OPR) issued updated General Plan Guidelines, including guidance for EJ Elements of General Plans to identify environmental justice policies and gaps in existing policies in relation to disadvantaged communities.

The City of Hayward is currently soliciting proposals for the next update to the General Plan, including an EJ Element.<sup>1</sup> However, as described in more detail below, the City of Hayward has been a leader with regard to sustainability, justice, equity, and inclusivity. In 2015, Hayward served as a case study:

<sup>1</sup> City of Hayward recently solicited proposals for General Plan and Zoning Related Services, which includes a comprehensive update to the Housing Element, the Climate Action Plan and related policies and programs, Environmental Justice related policies and the Safety Element.

Advancing Social Equity Goals to Achieve Sustainability: Case Study Series<sup>2</sup> and has continued to apply the lessons learned to the betterment of the City.

# PRIORITIZATION OF IMPROVEMENTS FOR DISADVANTAGED COMMUNITIES

Environmental justice communities are identified as disadvantaged communities. Disadvantaged communities are defined as an area identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code<sup>3</sup> or an area that is a low-income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation by a variety of means, including history and adverse environmental living conditions. Indicators for disadvantaged communities include **educational attainment, employment, housing-burdened low-income households, income, linguistic isolation, poverty, race and ethnicity, single parent households, U.S. citizenship, violent crime rate, and ability to vote. These indicators and how they are addressed in the City provide useful metrics for success in serving EJ communities as follows:** 

- Reduced exposure to pollution, including:
  - Toxic air and greenhouse gas emissions (GHG)
  - Hazardous materials clean-up
- Sustainability (i.e., use of community resources so they are not depleted or permanently damaged)
- Access to:
  - Educational institutions
  - Regional jobs
  - Food and services
  - Parks and recreation, including:
    - o Outdoor spaces (Public Health benefits)

https://icma.org/sites/default/files/Advancing%20Social%20Equity%20in%20Hayward%20CA.pdf

Which states: "These communities shall be identified based on geographic, socioeconomic, public health, and environmental hazard criteria, and may include, but are not limited to, either of the following:
(1) Areas disproportionately affected by environmental pollution and other hazards that can lead to negative

public health effects, exposure, or environmental degradation.

<sup>2</sup> Local Governments, Social Equity, and Sustainable Communities. Advancing Social Equity Goals to Achieve Sustainability. Available online at:

<sup>(2)</sup> Areas with concentrations of people that are of low income, high unemployment, low levels of homeownership, high rent burden, sensitive populations, or low levels of educational attainment."

- Affordable housing opportunities, including:
  - HVAC filtration to current Public Health standards and building codes for all occupants
- Safety
- Accessibility to Civic and Community Engagement

#### **CITY OF HAYWARD DEMOGRAPHICS**

# Population

According to the most recent estimates from the U.S. Census Bureau (July 2019), the City of Hayward has a total population of 159,203, about 10% more than a population count of 144,186 recorded in 2010.

Census data shows that Hayward's population is diverse consisting of 40% Hispanic, 27% Asian, 16% White, and 9.6% Black. Two or more races consist of about 7% of the population. The median household income for the City is \$86,744, which is lower than Alameda County's average of \$99,406. About 60% of residents in Hayward speak a language other than English at home, in comparison to 45.6% for Alameda County. The City's foreign-born population is 38.7%, slightly higher than the County's rate of 32.5%. There are more people per square mile in Hayward (3,181) than there are in Alameda County (2,044).

#### Housing

The median value of owner-occupied housing units is \$581,200 in Hayward in comparison to \$769,300 for the rest of Alameda County. The median gross rent in Hayward is \$1,825, which is higher than the median rent of the County at \$1,797.

#### **Educational Attainment**

At least 83% of residents have a high school degree, which is slightly below Alameda County's rate of 88.4 percent. However, the rate of higher education (bachelor's degree or higher) for the City is 27.7%, which is lower than the County's rate of 47.7 percent.

The Regional Housing Needs Assessment (RHNA) 6th Cycle indicates that the City of Hayward needs an additional 4,150 units of housing—an increase from the 2015-2023 RHNA of 3,920. The RHNA indicates the City needs 980 very low income (less than 50% of area median income) units, 564 low income (50-80% of area median income) units, 726 moderate income (80-120% area median income) units, and 1,880 above moderate income (greater than 120% of area median income) units.

# Diversity

Hayward has a foreign-born population of nearly 39%. Hispanics represent the largest racial and ethnic community in Hayward with common ancestry groups including Mexican (30.2%), Salvadoran (2.5%), Puerto Rican (1.5%), Nicaraguan (1.2%), Honduran (1%), Peruvian (0.5%), and Cuban (0.2%). Asian-Americans represent the second largest group with common ancestries of Filipino (10.4%), Chinese (3.9%), Indian (3%), Vietnamese (2.7%), Japanese (0.5%), Korean (0.5%), Cambodian (0.2%), and Pakistani (0.1%). Hayward is considered California's second most diverse city and it also ranks very high nationwide.

# CITY OF HAYWARD POLICIES RELATED TO JUSTICE, EQUITY AND INCLUSIVITY

In January 2017, the Hayward City Council created a Community Task Force to address community concerns about immigration and human and civil rights that arose after the 2016 elections. The Community Task Force was charged with updating Hayward's 1992 Anti-Discrimination Action Plan and developing new recommendations to address current social challenges.

On November 28, 2017, the task force presented The Commitment for an Inclusive, Equitable, and Compassionate Community, a re-imagining of the Anti-Discrimination Action Plan that provides a road map for proactively making Hayward a safe and welcoming place for people of different backgrounds and experiences.<sup>4</sup> In May 2020, the City Council adopted a successor plan: The Racial Equity Action Plan.

The Commitment (CIECC), was founded on key guiding principles and contains an evaluation component to ensure accountability for implementation of the various action plans. The Commitment (CIECC) before the Council contains five sections including: Section I: Encouraging Shared Community Values; Section II: Fostering Accessibility; Section III: Dismantling Illegal Forms of Discrimination; Section IV: Implementing the Hayward Sanctuary City Resolution, and Section V: Enhancing Community and Police Relations.<sup>5</sup>

The Racial Equity Action Plan is an aspirational roadmap for effecting organizational change and improving service to the community in the City of Hayward. This plan is an early step toward intentionally working to address racial inequities in the City and realize the City of Hayward's ideal of being a diverse, equitable, and inclusive community. This ideal is included in a number of City plans and documents:

<sup>4</sup> The Commitment for an Inclusive, Equitable, and Compassionate Community. City of Hayward. Available online at: <u>https://www.hayward-ca.gov/residents/commitment-inclusive-equitable-and-compassionate-community</u>

<sup>5</sup> Id. at https://www.hayward-ca.gov/sites/default/files/documents/CIECC Accepted.pdf.

- The guiding vision for the 2040 General Plan imagines a Hayward that is "home to one of the most diverse, inclusive, educated, and healthy populations in the Bay Area."
- The Complete Communities Strategic Initiative, completed in 2019, acknowledges that actively valuing diversity and promoting inclusive activities is key to improving quality of life for residents, business owners, and community members in all Hayward neighborhoods.
- The recently adopted Strategic Roadmap visualizes a near future in Hayward where "employees from diverse backgrounds are recruited, retained and celebrated, and staff provide culturally responsive services to our community." The Roadmap also calls for the development and implementation of "a racial equity action plan to best serve our community and support our employees" that follows from the Commitment for an Inclusive, Equitable and Compassionate Community.
- The Commitment for an Inclusive, Equitable, and Compassionate Community created by the Community Task Force and accepted by Council in November 2017 identifies equity as a core value and envisions Hayward as "a community of inclusive growth and opportunity, where families and individuals are welcome to create their future stories and can be confident in knowing their life chances and outcomes will not be determined by political affiliation, economic status, place of origin, immigration status, religion, age, race, ethnicity, gender, gender identity, sexual orientation, physical ability, or other personal characteristics."

#### DOWNTOWN SPECIFIC PLAN PRIORITIES

The Guiding Principles from the Hayward Downtown Specific Plan (2019; Specific Plan)<sup>6</sup> set the longterm vision to establish Downtown Hayward as a regional destination, celebrated for its distinct history, culture, and diversity; providing shopping, entertainment, employment, and housing options for residents and visitors of all ages and backgrounds; that is accessible by bike, foot, public transit, and car, and public transit. Building upon this long-term vision, the following guiding principles were established through a collaborative process:

- Promote Downtown as safe, lively, and business friendly.
- Improve the circulation network to better serve Downtown businesses, residents, and visitors.
- Preserve the history, arts, and culture of Downtown.
- Build on and enhance natural features and open spaces.

<sup>6</sup> Downtown Specific Plan. City of Hayward. Available online at: <u>https://www.hayward-ca.gov/sites/default/files/Hayward%20Downtown%20Specific%20Plan.pdf</u>

• Establish Downtown as a regional destination.

In the Specific Plan, the 2017 Maple & Main project is called out as a "catalytic revitalization project" to help the City realize this vision and these priorities.

#### **PROJECT HISTORY**

On February 17, 2017, the Hayward City Council adopted a revised Mitigated Negative Declaration (MND) and approved development plans from Bay Area Property Developers and Klein Financial Corporation for a mixed-use project at the corner of Maple Court and McKeever Avenue. The 3.4-acre property, bound by A and Main streets, McKeever Avenue and Maple Court, was the former site of Bryman College and Levin Hospital.

The project proposed to demolish all buildings on the project site except for a portion of an existing medical office building and construct a residential building and six-level parking garage. The new residential building would include 240 rental apartments (192 market-rate apartments, 48 apartments priced affordably to very low-income households), ground floor retail and a leasing office. Amenities would include three outdoor courtyards and clubhouse with fitness facilities. As part of the proposed project, the existing four- and two-story medical office building on the corner of Maple Court and McKeever Avenue would be reduced in size, improved, and modernized. The improved medical office building would include approximately 47,750 square feet of building space.<sup>7</sup>

However, over the following 18 months, the former property owner, Bay Area Property Developers, LLC, made no visible progress on the project and failed to maintain the site free of trespassing, vandalism, other criminal activity, and illegal occupation by people using its vacant structures for shelter. In other words, the site that had become a worsening source of blight, nuisance complaints and health and safety risks.

On December 19, 2019, the City of Hayward was granted a request to appoint a receiver to take control of the property, agreeing with Hayward that the property's condition *presents a substantial danger to public safety*.<sup>8</sup> All remaining structures on the site, including the medical office building, were demolished in 2020.

<sup>7</sup> Council Approves Maple & Main. City of Hayward. February 17, 2017. Available online at: https://www.hayward-ca.gov/discover/news/feb17/council-approves-maple-main-development

<sup>8</sup> City Wins Ruling to Clean Up Redevelopment Site. SF Gate. December 23, 2019. Available online at: <u>https://www.sfgate.com/news/bayarea/article/City-Wins-Ruling-To-Clean-Up-Redevelopment-Site-14929107.php</u>

# **CURRENT PROJECT (aka. Revised Project)**

Now with a new owner, the currently proposed project proposes to develop 3.93 acres of unutilized parcels with a Mixed-Use development consisting of 314-residential units (27 studios, 126 one-bedroom, 138 two-bedroom, 23 three-bedroom), 7,100 square feet of retail space, and 24,000 square feet of combined open space. Nineteen of the residential units are designated affordable housing. Sixteen of those units (or 5% percent of the 314-unit base project) would be very low-income units restricted to very low-income households, and the other 3 units would be low-income units restricted to low-income households. The Revised Project also proposes to provide 422 vehicle parking spaces, 66 long-term bicycle spaces, and ten motorcycle spaces.

The project location is also within walking distance of local retail establishments, schools, and employment centers in Downtown Hayward. As of this date, the site is under the oversight of the Department of Toxic Substances Control (DTSC), which is preparing a Remedial Action Work Plan to ensure that all existing recognized environmental concerns are addressed so that site is appropriate for residential uses. In addition, the project applicant is proposing to include the following sustainability measures in the project:

- Provide private shuttle service to/from Hayward Bay Area Rapid Transit (BART) station;
- Participate in the City's proposed Shuttle Service;
- Provide electric vehicle charging stations;
- Provide on-site bicycle storage;
- Locate high-density housing in close proximity of downtown core/transit services;
- Provide shared vehicle services (i.e., Zipcar);
- Provide solar power;
- Limit all landscaping to "Bay Friendly Landscape Guidelines" drought tolerant plants;
- Provide on-site water quality and filtration basins;
- Require use of natural stone and other sustainable materials; and
- Require energy- and water-efficient appliances.

# CONCLUSION

In consideration of the project history and the features of for the currently proposed project that implement the vision of the Downtown Specific Plan, the project aims to support beneficial, just and equitable outcomes in support of *a diverse, equitable, and inclusive community.* These goals are the result of cooperative efforts from the project applicant, the City and the state Department of Toxic Substances Control (DTSC), as well as several years of engagement from community stakeholders.

The project plans to adhere to certain EJ principles as described for informational purposes only below:

- To avoid, minimize or mitigate disproportionately high and adverse human health and environmental effects, including social and economic effects, on minority populations and low-income populations:
  - Reduce exposure to pollution and airborne disease vectors:
    - Site cleanup and ongoing hazard mitigation (DTSC)
    - Provide on-site water quality and filtration basins
    - Approximately 24,000 sq. ft. of open space including outdoor space for retail occupancies
    - HVAC filtration that meets or exceeds an efficiency standard of MERV 13<sup>9</sup>
  - Toxic air and Greenhouse Gas emissions
    - Transit Oriented Development
    - Provide private shuttle service to/from Hayward Bay Area Rapid Transit (BART) station and/or participate in the City's proposed Shuttle Service;
    - Provide electric vehicle charging stations;
    - Provide on-site bicycle storage;
    - Locate high-density housing in close proximity of downtown core/transit services;
    - Provide shared vehicle services (i.e., Zipcar);
    - Provide solar power;
    - Limit all landscaping to "Bay Friendly Landscape Guidelines" drought tolerant plants;
    - Provide on-site water quality and filtration basins;
    - Require use of natural stone and other sustainable materials; and

<sup>9 &</sup>lt;u>https://library.municode.com/ca/hayward/codes/municipal\_code?nodeId=HAYWARD\_MUNICIPAL\_CODE\_C</u> <u>H10PLZOSU\_ART24MIBOCO\_SUBARTICLE\_10-24.3SUZO\_DIV10-24.3.2GEST\_10-24.3.2.070AIQUMIME</u>

- Require energy- and water-efficient appliances
- Hazardous materials clean-up
  - Site cleanup and ongoing hazard mitigation (DTSC)
- 6% Affordable Housing
  - Provide nineteen residential units designated for affordable housing. Sixteen of those units (or 5% percent of the 314-unit base project) would be very low-income units restricted to very low-income households, and the other 3 units would be low-income units restricted to low-income households
- To ensure the full and fair participation by all potentially affected communities in the decision- making process for proposed projects:
  - The project applicant, City, and DTSC have and continue to comply with the engagement requirements of CEQA.
  - The City completed and implemented Complete Communities Strategic Initiative, which acknowledges that actively valuing diversity and promoting inclusive activities is key to improving quality of life for residents, business owners, and community members in all Hayward neighborhoods.
  - DTSC's environmental justice program is part of the Office of Environmental Equity, which includes its Public Participation and Tribal Affairs programs. By integrating all three programs throughout DTSC, DTSC strives to be part of achieving a healthy California for all.10
  - Project applicant will make a presentation at the Downtown Hayward Improvement Association (DHIA) Land Use Committee as the application process proceeds.
- To prevent the denial of, reduction in, or significant delay in the receipt of benefits by minority and low-income populations:
  - Due to inaction by the site prior owner, the City undertook legal action to expeditiously resolve health & safety concerns. On December 19, 2019, the City of Hayward was granted a request to appoint a receiver to take control of the property, agreeing with Hayward that the property's

<sup>10</sup> State of California, Department of Toxic Substances Control, Environmental Justice. https://dtsc.ca.gov/environmental-justice/

condition presents a substantial danger to public safety. Remaining structures on the site were demolished in 2020.

As the project applicant submitted preliminary plans for the site, DSTC's process to mitigate hazardous conditions at the site was fully activated, thereby assuring health and safety for site occupants and neighbors.