

Thursday, June 23, 2022, 7:00 p.m.

Due to Chair Oquenda being absent, Vice Chair Ali-Sullivan facilitated the Planning Commission meeting as Chair.

The Planning Commission meeting was called to order at 7:00 p.m. by Chair Ali-Sullivan. The Planning Commission held a hybrid meeting in the Council Chambers and virtually via Zoom.

CALL TO ORDER Pledge of Allegiance led by Chair Ali-Sullivan

ROLL CALL

Present: COMMISSIONERS: Bonilla Jr., Goldstein, Lowe, Roche, Stevens

CHAIRPERSON: Ali-Sullivan

Absent: COMMISSIONER: None

CHAIRPERSON: Oquenda

Staff Members Present: Buizer, Claussen, Lens, Lochirco, Madhukansh, Ochinero, Schmidt, Vigilia

PUBLIC COMMENTS

There were none.

PUBLIC HEARING

[Item continued from June 9, 2022] For agenda item No. 1, 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 Mixed-Use Development of 314 Rental Apartments, including 19 Units Affordable to Very Low and Low-Income Households, 7,100 Square Feet of Ground Floor Retail Space, and related Site and Frontage Improvements at 22330 Main Street (APN 428-0061-061-03, 428-0061-061-04) Requiring an Addendum of a Mitigated Negative Declaration with Mitigation Monitoring and Reporting Program and Approval of a Major Site Plan Review, Administrative Use Permit, and Density Bonus Application No. 202003725; Nick Clayton for Project Management Advisors, Inc. (Applicant); Amit Goel for Goel Hayward MF LLC (Owner).

Planning Manager Lochirco provided a synopsis of the staff report and PowerPoint presentation. He noted that there was one subsequent change per the applicant's request since the previous Planning Commission meeting held on June 9, 2022, which was the



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applicant would provide an enhanced community benefit and has agreed to contribute \$10,000 prior to building permit issuance intended to be used to improve and maintain the existing city-owned parcel at Hazel Avenue and Main Street. This location was presently being used by the neighborhood as an open space area and community garden. Mr. Lochirco pointed out that this request would be updated as Condition of Approval No. 26 reflected in Attachment III Conditions of Approval.

Commissioner Comments

Mr. Amit Goel, project applicant, stated that taking into consideration community interest and being a good team player with the community, his firm worked closely with labor groups and entered into labor agreements and hoped to earn the support of the Planning Commission.

Commissioner Roche shared concerns from current residents which was expressed through a letter about the garbage bin location and a fire lane entrance located next to the property and asked if there was a way to address this.

Mr. Lochirco responded that part of the requirement for the placement of the garbage area was to allow vehicles along that internal drive area connecting McKeever Avenue and Maple Street to have access to the trash area.

Mr. Vince Chupka, Regional Director with Humphreys and Partners Architects, responded to Commissioner's Roche's question that the trash enclosure was not a storage area and that it was a pick-up area designated for pick-up days; noting that each building in the proposed project has its own trash storage inside. He exemplified that the larger building has two trash storage spaces inside which are fed by chutes, where residents can enter a small room and feed the trash down the chute, the trash receptacle is stored on the ground level of the parking structure. Mr. Chupka stated that the smaller building has a similar space near the elevator lobby which has a pair of doors that open up to the outside. The concept was that on trash pick-up day, the bins will be rolled out from the buildings and taken to the staging area for pick-up. Mr. Chupka stated that since the walls were removed for the two neighboring properties, the applicant will be putting up a masonry wall which could be a useful sound barrier and that the height recommendation for this was 6 feet tall. Mr. Chupka confirmed for Commissioner Roche that it was the project applicant's intent to make the proposed development a livable area for the surrounding neighborhood as well.

Commissioner Roche asked if the two inconsistencies in the Arborist's Report had been addressed. Ms. Darya Barar, Arborist with Hortscience Bartlett Consulting, spoke about how the appraised value of the trees is determined, indicating that the calculation took into account the species and size of the tree and other factors that are present such as the



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location of the tree and its condition. She underscored that the values could change dramatically when location and condition factors are taken into consideration. Ms. Barar disclosed that the appraisal in the Arborist's Report was prepared based on the 9th edition which was acceptable to the City of Hayward. In regard to community questions raised about usage of Silva Cells, Ms. Barar noted that these were best used underneath sidewalk or structural soil for new trees and not recommended for existing trees as this would require extensive excavation to reach the root removing 90% of the root ball.

Commissioner Roche asked the applicant if the concerns of the Prospect Hill Neighborhood Association had been addressed. Mr. David Bowlby, project consultant with the Bowlby Group, shared that the applicant's team had many interfaces and meetings with the Prospect Hill Neighborhood Association regarding the issues and concerns expressed by the residents. He shared that the dedication of specific funds towards the community garden and implementation of a dog run were results of conversations with residents. With regards to issues of traffic and parking, the applicant's team explained to residents the Transportation Demand Management Plan (TDM) to deal with these challenges and underscored options to implement a Parking Permit Program if parking issues persisted in the future. Mr. Bowlby stated that concerns raised about density were policy based and could be addressed by the city. He expressed that he was mindful that the neighborhood was changing and that there would be impacts to the neighborhood, but the applicant team was striving to ensure that the project will be a part of the community fabric with minimal impacts.

Commissioner Bonilla Jr. encouraged the applicant to continue meeting with the community to ensure that their voice was incorporated, especially with the construction of walls and other things in the vicinity.

Mr. Bowlby clarified for Commissioner Bonilla Jr., that the \$10,000 contribution would be a donation to the community park as the land was a city-owned parcel and not associated with the Hayward Area Recreation and Park District (HARD), and the applicant wanted to ensure the funds could be used for further improvement of the community garden. Mr. Lochirco indicated for Commissioner Bonilla Jr. since the condition of approval is specific to the park, the City Council could make a determination on the use of funds for improvements to this space. Mr. Lochirco underscored that the parcel was not maintained by HARD and that it is a vacant city-owned parcel that the Prospect Hill Neighborhood Association has been working with on behalf of the community to make it an accommodating space for the residents of the neighborhood to garden. He commented that the City Council has recognized the importance of maintaining this community space and that the contribution by the applicant will further support the initiative.

Chair Ali-Sullivan opened the Public Hearing at 7:30 p.m.



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Mr. Vince Sugrue, representing Hayward residents who work for the Mechanical Craft Unions: Sheet Metal Workers, UA Local 342, IBEW Local 595, and Sprinkler Fitters Local 483, expressed that he was proud of the proposed project, commended the developer Mr. Amit Goel for working hard to partner with local labor groups, and was excited to be a part of the project. Mr. Sugrue appreciated his gratitude to the Planning Commission and staff for their advocacy and supported the approval of the project.

Mr. John Dalrymple (Zoom participant) commended the Planning Commission and City Council for their approach with the project and how it fits the vision for the downtown; commended the developer for addressing the challenges expressed at the previous Planning Commission meeting with the community and implementing community benefits; stated that the proposed project will allow for broader apprenticeship programs; and looked forward to helping build the project.

Ms. Ro Aguilar (Zoom participant), Hayward resident, complimented the Planning Commission and staff on the exemplary project that offered infill rental development situated near transit; complimented the developer for exceeding the requirements of the city's affordable housing code to get the maximum number of affordable units and for using the density bonus, and for incorporating mixed family sizes. Ms. Aguilar was dismayed that only 16 of the 314 units were affordable units due to the low city requirement, when the need was greater. She stressed that since the city is currently revising the Affordable Housing Ordinance, it had the opportunity to revise the language that governs the percentage of low and very low units included in a development. She urged that the Planning Commission recommend raising the percentage from 6% to at least 15% and require on the ground units and not have an option to pay in-lieu fees for developments over 20 units. Ms. Aguilar stated that the 15% inclusionary housing requirement should apply to all types of housing which will help grow and strengthen the middle class.

Mr. Pekon Gupta (Zoom participant) commented that he was thankful for the donation of \$10,000 to the city park. He shared that in the City of Palo Alto, there were numerous sidewalk designs where large existing trees had been saved and contrasted that with the Arborist Report for the proposed project which he indicated did not include options for tree preservation. He requested that the developer consider revising the proposal and consider different mechanisms for saving certain trees at the project site.

Chair Ali-Sullivan closed the Public Hearing at 7:41 p.m.

Commissioner Lowe expressed she was pleased that the applicant worked with local unions and with the surrounding neighborhood in resolving some of the issues and concerns that had been raised. Commissioner Lowe made a motion to approve the project per staff recommendation, the motion was seconded by Commissioner Stevens.



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Commissioner Bonilla Jr. commented he was excited about this project and appreciated the agreement reached with labor groups and the input received from the community. He agreed with Ms. Aguilar's sentiments about the affordable housing requirements being too low to address the needs of the community. He urged future developments to include more affordable housing units than required. Commissioner Bonilla Jr. expressed his support of the project as it met community needs and encouraged continued community input as the project is built.

Commissioner Roche said that she agreed with her colleagues supporting the building of this project and indicated that the project was reflective of the developer listening to the concerns of the Planning Commission, local labor groups and neighborhood associations. She emphasized the need to reevaluate the Affordable Housing Ordinance but was glad that the proposed project would exceed the current requirement. Ms. Roche liked that the community benefit had increased and recommended that developer continue communications with the surrounding community, monitoring the traffic challenges and implementing the TDM as residents move into the building. Commissioner Roche expressed her support of the project.

Commissioner Goldstein was delighted that the developer had worked out an agreement with labor groups and the neighborhood and indicated that the project was beautiful which satisfied a need in the community. He underscored how valuable the labor union groups are to the city, and that the developer's ability to come to an agreement on prevailing wages makes it possible for members of the labor groups to contribute back to the community. The inclusion of local labor in the project translates into laborers not having to commute greater distances for prevailing wages. He commented that the apprenticeship programs provide opportunities to individuals who have faced setbacks to turn their lives around. Commissioner Goldstein underscored that there were big housing goals for the city to meet and that the policy on affordable housing requirements for the city fell on the Planning Commission and the City Council to figure out the right formula without overburdening prospective developers. He stressed the importance of future generations being able to afford to live in the same communities as their parents and not being forced to move away due to housing costs. Commissioner Goldstein expressed his support of the project.

Chair Ali-Sullivan stated that he was excited about the proposed project as it would move the city forward and supported the project. He thanked city staff for their monumental work on the project and thanked the applicant for his willingness to have discussions with the community which will yield a broad benefit to the community. Mr. Ali-Sullivan thanked labor groups for their advocacy in standing up for Hayward residents and families, and for having good jobs in the community.



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Commissioner Lowe confirmed for Planning Manager Lochirco that the motion included the three changes that staff and the applicant requested related to the conditions of approval.

A motion was made by <u>Commissioner Lowe</u>, seconded by <u>Commissioner Stevens</u>, to approve the project per staff recommendation.

The motion passed with the following roll call votes:

AYES: Commissioners Bonilla Jr., Goldstein, Lowe, Roche, Stevens

Chair Ali-Sullivan

NOES: None

ABSENT: Chair Oquenda

ABSTAIN: None

WORK SESSION

2. Work Session on the Housing Resources, Sites Inventory and Housing Plan of the 2023-2031 Housing Element.

Principal Planner Schmidt provided a synopsis of the staff report and introduced Brenna Weatherby with Rincon Consultants who discussed population demographics in Hayward, characteristics of housing stock and affordability, and resources and inventory per the Regional Housing Needs Allocation (RHNA).

Commissioner Goldstein commented on the stellar presentation by staff and asked with regards to the identification of the available units, how many are owned by the City of Hayward or other municipal agencies. Principal Planner responded that out of all the parcels, there would be fifteen. Commissioner Goldstein asked if the option to hold the land in trust rather than selling to the developers had been explored, commenting that this would keep the properties in the city's possession and potentially reduce the cost of housing development.

Principal Planner Schmidt responded that this was a practice exercised by the Bay Area Rapid Transit (BART) where the agency holds the land, and they lease the property to developers. Ms. Schmidt indicated that the city has not explored this for city properties yet, but this could be shared with the City Manager. Commissioner Goldstein requested that staff pass the suggestion to the City Council for discussion.

Commissioner Goldstein stated that BART Board Director Elizabeth Ames pointed out to him that there is a lack of median priced properties, and asked staff if median income individuals were more likely to use public transit compared to individuals from low to very-low-income



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households. Principal Planner Schmidt indicated that this information could have been gathered by BART, underscoring that the city prioritized creating mixed income communities. She stated that 100% affordable projects were needed to meet RHNA numbers and shared that Hayward was unique in that it did have a few of these projects built.

Commissioner Goldstein commented that inclusionary mixed housing had provided greater opportunity for people to access public safety, fresh food, shopping opportunities, and transportation. He furthermore noted that mixed housing types were built faster in comparison to holding off and waiting for a low-income housing developer, which would benefit the community as a whole.

Commissioner Stevens stated that neighboring community members had expressed concern about the development project on Main Street at the previous Planning Commission meeting, related to the density and scale of the project; however, nothing could be done at that stage since the Downtown Specific Plan had already been established. He suggested to the general public that the current Work Session on the Housing Element served as an opportunity to change the context of the city. Mr. Stevens expressed that the city has surrendered a lot of local control to the state and that the state is presently dictating development conditions. Commissioner Stevens commented that as things move forward, community members may become frustrated as they see how their communities have changed, and he encouraged residents to educate themselves and become involved in this process.

Commissioner Roche was impressed by the creativity of staff in reaching out to the community. She asked how the Housing Element would preserve the anonymity of information of the low-income population at risk of being unhoused. Principal Planner Schmidt indicated that the references within the Housing Element were tied to the work done by the Housing Division and the Community Services Division; she cited the following programs as examples: Displacement Study, Lets House Hayward Plan of the Navigation Center, and Shallow Rent Subsidy Program. Ms. Schmidt elaborated that the Housing Element outlines specifically education and outreach components to inform individuals of the programs that exist.

Commissioner Roche shared the value of hosting events to bring individuals out such as a movie night and then providing information on housing with the community.

Commissioner Lowe asked for clarification on H-3 Preservation of At-Risk Affordable Housing of the Housing Element and asked how the city would assist property owners in maintaining the affordability of certain units. Senior Planner Schmidt underscored that the city's Inclusionary Housing Ordinance was affordable in perpetuity; however, the affordable housing units which received funding 45 to 55 years ago may have covenants that will soon expire. If these affordable housing units received tax credits, federal grant monies from the



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Housing and Urban Development (HUD) agency to build or significantly rehabilitate these units in the past, and covenants had to be recorded for a certain number of years, then some of these units may be eligible to be converted to market-rate housing within the next eight-year cycle. Ms. Schmidt noted that Planning and Housing Division staff will monitor eligible properties and will approach property owners to gauge interest in if they would like to apply for grant money or tax credits to upgrade the units, such as the installation of electric vehicle chargers or solar panels. If the owners were to do so, then the covenants for the affordable housing units could be extended. This process requires staff monitoring the at-risk units in conjunction with positioning property owners to understand what they are eligible to apply for and how to extend the affordability.

Principal Planner Schmidt noted for Commissioner Lowe that it was anticipated that five developments would be eligible in the next cycle. She added that the City Manager's Office is responsible for working with the property owners with support from Development Services. Ms. Schmidt elaborated that the funds used were Housing Choice Vouchers, federal and state funds, home funds, and trust funds. She indicated that the Housing Division receives an alert approximately one year in advance for properties with expiring covenants.

Commissioner Bonilla Jr. asked staff to clarify what was meant when 50% of renters were classified as being cost burdened. Principal Planner Schmidt said that being officially cost burdened meant that someone pays more than 30% of their income on housing, and it included utilities and all housing costs bundled. She pointed out that this rate was not unique to Hayward and that there were probably other communities with a higher cost burdened rate.

Commissioner Bonilla Jr. asked what the level of confidence was to meet RHNA requirements in the next eight years. Principal Planner Schmidt stated that the city's responsibility was to plan for the housing needs requirement, and it was the developer's duty to build the units. The city was demonstrating that it can accommodate the RHNA requirements; sharing that there were many municipalities who were unable to satisfy the requirement and would have to rezone. She stated that while it was possible to build all of the units per the RHNA requirement, she did not think it was likely to occur.

Commissioner Bonilla Jr. emphasized that it was important to recognize that there was a need in our community to build housing due to the 18% increase in population growth and that the city would have to work and be aggressive and deliberate with decisions being made. Mr. Bonilla Jr. stated that with the figures on RHNA allocations, there was a need to be intentional with building mixed inclusive income communities.

In response to Commissioner Bonilla's comment that the housing mix was not referenced, Principal Planner Schmidt noted that the assumption from Housing and Community



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Development is that higher density are rental units and lower density are home ownership.

Chair Ali-Sullivan opened public comment period at 8:49 p.m.

Ms. Ro Aguilar (Zoom participant), echoed the concerns by Commissioner Bonilla Jr. on the percentages of rental units versus home ownership. She stressed that the path to promote and encourage lower-income people into the middle class was through home ownership; questioned the findings of the BART study mentioned by Commissioner Goldstein; and stated that the reason for the current housing crisis is not due to loss of control to the state on housing as Commissioner Stevens said, but due to local municipalities failing to provide affordable housing for their residents. Ms. Aguilar stated that people may get angry with adding low-income housing, but this was the responsibility and duty of the city. She was thankful for the opportunity to advocate for inclusionary owner-occupied housing.

Chair Ali-Sullivan closed public comment period at 8:53 p.m.

Vice Chair Ali-Sullivan thanked staff for their presentation and for the discussion on a complex topic.

APPROVAL OF MINUTES

3. Approval of the Minutes of the Planning Commission Meeting from May 26, 2022.

A motion was made by Commissioner Goldstein, seconded by Commissioner Stevens to approve the Planning Commission Meeting Minutes from May 26, 2022.

The motion passed with the following roll call vote:

AYES: Commissioners Goldstein, Roche, Stevens, Lowe

Chair Ali-Sullivan

NOES: None

ABSENT: Chair Oquenda

ABSTAIN: Commissioner Bonilla Jr.

STAFF AND COMMISSION ANNOUNCEMENTS

Planning Manager Lochirco announced that city staff city staff and the Hayward Residential Design Study team would lead a series of five walk-shops on June 25, 2022 and June 27, 2022 to be held in various neighborhoods; the purpose of the walk-shops was for community members to point out features of their neighborhood that they like, do not like, share ideas about the design and the future of housing in Hayward. Design professionals will also



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participate from the consultant team, staff will help facilitate conversations, and Spanish translation will be available. Mr. Lochirco encouraged all to attend and to be a part of the process as the Objective Design Standards are developed.

Planning Manager Lochirco noted future Planning Commission meeting dates for Chair Ali-Sullivan which were on July 14, 2022, and there were no items currently scheduled for July 28, 2022.

Commissioner' Announcements:

Commissioner Goldstein shared that on June 25, 2022, a team of volunteers will be working on emergency communications in the San Leandro Marina area from noon to 2 p.m. and the work they perform can be informative on how to survive and recover in a big disaster.

Chair Ali-Sullivan thanked staff for their support in helping him chair his first Planning Commission meeting.

Commissioner Bonilla Jr. wished everyone a Happy Pride Month.

Commissioner Lowe commended the City Council Members and staff who planned the Juneteenth Celebration on Saturday, June 18, 2022 and hoped that this would become an annual event.

ADJOURNMENT

ADDDOUGD

Chair Ali-Sullivan adjourned the meeting at 9:00 p.m.

APPKUVED:	
Briggitte Lowe, Secretary	
Planning Commission	



PLANNING COMMISSION MEETING COUNCIL CHAMBERS AND VIRTUAL (ZOOM) PARTICIPATION Thursday, June 23, 2022, 7:00 p.m.

ATTEST:

Jacquelyn Jacobs for Avinta Madhukansh-Singh Planning Commission Secretary Office of the City Clerk