



**MINUTES OF THE REGULAR MEETING OF THE
CITY OF HAYWARD PLANNING COMMISSION
Council Chambers
Thursday, February 23, 2017, 7:00 p.m.
777 B Street, Hayward, CA94541**

MEETING

A regular meeting of the Hayward Planning Commission was called to order at 7:00 p.m. by Chair Enders.

ROLL CALL

Present: COMMISSIONERS: Willis Jr., Goldstein, Parso-York, Schott, McDermott, Faria
CHAIRPERSON: Enders
Absent: COMMISSIONER: None

SALUTE TO FLAG

Commissioner Parso-York led in the Pledge of Allegiance.

Staff Members Present: Baquilar, Brick, Chan, Chang, Fakhrai, Hinkle, Kelley, Rizk, Schmidt

General Public Present: 41

PUBLIC COMMENT:

There were none.

PUBLIC HEARINGS: 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 Lincoln Landing Mixed-Use Project Comprised of 80,500 Square Feet of Ground Floor Retail Uses, 476 Multi-Family Rental Units and Related Site Improvements on an 11.5-Acre Site Located at 22301 Foothill Boulevard and 1155 Hazel Avenue (former Mervyn's Stores Headquarter's Site), Requiring Approval of Vesting Tentative Parcel Map and Site Plan Review Application No. 201501148, and Adoption of an Environmental Impact Report, Mitigation Monitoring and Reporting Program, and Statement of Overriding Considerations for Traffic-Related Impacts; Scott Athearn on behalf of Dollinger Properties/DP Ventures LLC (Applicant/Owner)

Development Services Director Rizk provided a brief introduction to the item.

Senior Planner Schmidt provided a synopsis of the staff report.



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Transportation Manager Kelley provided project traffic analysis and spoke about traffic mitigation measures for areas that were determined to be significantly impacted by the project. Mr. Kelley spoke about two items brought up during the Planning Commission Work Session (1) the feasibility of a mid-block pedestrian crosswalk between Hazel and City Center and (2) a pedestrian bridge over Foothill Boulevard. For the mid-block pedestrian crosswalk, staff's evaluation results were: increased congestion on Foothill Boulevard which would create traffic diversions and neighborhood cut-through traffic. Staff's feasibility study of a pedestrian bridge resulted in the following: the high cost of the bridge of more than \$1 million, there would be limited right-of-ways, there would be more right-of-way takes on the other side of Foothill Boulevard across from the project, safety concerns, and maintenance challenges.

Senior Planner Schmidt continued her synopsis of the staff report. Ms. Schmidt said alternatives that were considered but rejected was an alternative site plan submitted by community advocate Mr. Sherman Lewis, as it contains the same unit count and same square footage as the proposed project and the traffic generation rates are based on square footage and unit counts, thus Mr. Lewis' alternative did not reduce traffic or minimize impacted intersections. Ms. Schmidt said there might be some reduction in traffic if a plan does not provide parking but this method is not an accepted standard of practice in engineering and transportation analysis thus there was not an objective and measurable model for staff to see what the reduction might be. Ms. Schmidt said the second alternative that was considered and rejected were other economic development sites throughout the City that were included in the Economic Development Strategy Plan; these sites were located along Mission Boulevard and were generally smaller than the proposed project's 11-acre site and they were not located in or near the downtown area. Ms. Schmidt said one of the major objectives for the proposed project is to bring economic and community vibrancy of a large scale, transit oriented, mixed used village to the downtown area. Ms. Schmidt said the other site that was seriously considered was the City Center site, this site was ultimately rejected as it posed the same impacts as the proposed project with the added challenge of the properties surrounding City Center were owned by several different entities which made for an uncertain outcome.

Mr. Scott Athearn, Applicant Dollinger Properties, thanked staff for their hard work on this project and he spoke about the history of the project and the process which included a very in-depth outreach to the residents and the community, and especially with the Prospect Hill residents. Mr. Athearn said the developer incorporated a lot of the suggestions and recommendations by residents which culminated with the proposed project.

Mr. Athearn responded to Chair Enders that the applicant has taken the following measures to secure the site: fenced the area, hired security guards, and communicating to the homeless population about what is going to happen with the site so that they can secure



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their belongings. Development Services Director Rizk spoke about a coordinated effort among the Police, Fire, and other services departments to coordinate and assist the homeless population that have taken residence at the site, in order to find them a new location. Chair Enders suggested that the security guards be trained to provide the displaced homeless population with resources of where they can go to find services. Mr. Athearn responded to Ms. Enders that as commercial developers this project is primarily viewed as a commercial project then are adding the residential component to bring vitality to the project. Mr. Athearn said the developer is taking a huge risk on the commercial project and chose to pay the affordable housing in-lieu fee.

Both staff and Mr. Athearn confirmed for Commissioner Willis, that the developer has accepted all the conditions of approval. Mr. Athearn said that the developer can agree to look at the possibility of unbundled parking and the parking consultants will conduct full analysis then the developer can make a sound decision based on the results of the analysis. Mr. Athearn responded to Commissioner Willis Jr. that the café was not a viable option as he does not think he can find a tenant for a coffee shop. Commissioner Willis said for about a decade the area has become seedy and was not a productive site for the City. Mr. Willis spoke in favor of the proposed project, said the developer has done a great job in outreach to the community, there not a lot of complaints about the project; the project will enliven the area, and will be great project for the City.

Mr. Athearn confirmed for Commissioner Schott that during the construction phase the developer will recycle as much as the material as possible, that once they receive all the approvals he hopes to be under full construction in about eight months and wants to fast-track this project so that they do not miss the market.

Commission Faria suggested a kiosk in place of a coffee shop, Mr. Athearn said that he is open to all suggestions and wants to make sure there is a demand for the product. Mr. Athearn said residents and commercial tenants will have a secure parking area and his consultants will determine the best course of action as it is imperative for him to make sure the tenants feel safe.

Commissioner McDermott is glad the proposed project has reached this point, was happy with the developer's outreach, and said this is a good project. Ms. McDermott stated that every development should be required to include the affordable housing element and that affordable housing is very important for everyone. Ms. McDermott suggested that Hayward residents be given priority hiring on this project. Mr. Athearn confirmed that the developer has agreements with the trade unions and shared that the developer Dollinger is a family company and they are here to build a quality product and plans to hold onto the property for the foreseeable future. Ms. McDermott said she supports unbundled parking, to encourage people to get out of their cars and walk and use public transportation.



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Transportation Manager Kelley spoke to the continuing evaluation of the traffic and parking impacts to the neighborhood. Mr. Kelley said the residential parking permit program is included in the Conditions of Approval (COA) and he explained how the program works. Development Services Director Rizk added that for the proposed project the parking restriction will most probably be the evening hours.

Commissioner Goldstein agreed that future projects be required to include the affordable housing element. Mr. Goldstein thanked the developer for the collaborative effort in working with the community on this project and thanked the public who sent in their comments and thanked those who were in attendance. Mr. Goldstein commented that there will be traffic issues for every project and staff is working diligently on improving traffic concerns. Mr. Goldstein supports the project.

Commissioner Parso-York, thanked the proponent for working with the community on the propose project. Mr. Parso-York said it is these kinds of projects that will bring density to the City which in turn will bring in transportation resources that will enable residents to get out of their cars and hopefully get rid of cars.

Assistant City Attorney Brick confirmed for Commissioner Schott that if the approval of the project was prior to adopting an affordable housing ordinance that required every developer of new projects to include an affordable housing element, then the developer would acquire their entitlements under the current legislation. Mr. Athearn added that when the developer first began this project the in-lieu fees had been suspended. Senior Planner Schmidt confirmed that the in-lieu fees have been reinstated.

Development Services Director Rizk responded to Chair Ender's email that there was further analysis to be done by staff in regards to the unmitigable significant unavoidable impacts related to traffic. Mr. Rizk said there are two tests a legal nexus or relationship to what's being required to the impacts and the second test is a rough proportionality test - what's being required is proportional to those impacts. Mr. Rizk said there has not been evidence that improving the pedestrian pathway can relate to the traffic impacts. Mr. Rizk said further analysis will need to be done and determine what improvements would need to be done and then require a proportionate towards those improvements. Mr. Rizk commented that staff would need to conduct further analysis, and that the issue of improving pedestrian connections throughout downtown will be addressed during the Downtown Specific Plan Project. Transportation Manager Kelley spoke about factors used regionally was based on the distance from a development to transit based on its walkability. Senior Planner Schmidt said the City did what was required by CEQA, the consultants conducted the analysis and there was not significant impacts that needed to be mitigated because what was found is there are pedestrian connections with contiguous crosswalks and sidewalks to BART. Ms. Schmidt added that the developer will be making



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significant improvements to pedestrian walkways with the Creek Walk. Ms. Enders said the current pedestrian pathways and bike routes to BART are safe, comfortable and interesting and if the Commission can request the developer to consider further enhancements. Mr. Rizk said it is unknown whether enhancing pedestrian connections would help to mitigate traffic impacts. Ms. Schmidt responded to Ms. Enders regarding the day-lighting of San Lorenzo Creek which is contained in the staff report on Page 15.

Commissioner Parso-York said to make the downtown area safer for pedestrians, it was important to look at safety and recommended to add on-street parking on Foothill Boulevard in front of the project and across the street and to add an additional crosswalk light near the project site. Mr. Parso-York added the Downtown Specific Plan consultant said method to encourage people to walk was to have parked cars as they provide a safety barrier between the pedestrians and traffic. Transportation Manager Kelley said to add a crosswalk it would need to be lighted and this would add additional traffic impact to the area and arterial neighborhood streets.

Senior Planner Schmidt responded to Commissioner Willis Jr. that the crosswalks can be addressed on a larger scale during the Downtown Specific Plan Project. Transportation Manager Kelley said that even if the project moves forward it does not preclude staff from making pedestrian improvements as part of the Downtown Specific Plan at a future date.

Chair Enders opened the public hearing at 8:42 p.m.

Mr. Kim Huggett, President of the Hayward Chamber of Commerce, spoke in favor of the project and urged the Planning Commissioners to approve the project. Mr. Huggett said the excitement extends to the small business owners for a project that will be bringing more people to the downtown area that will frequent their businesses.

Mr. Ben Goulart, President Prospect Neighborhood Association, spoke in favor of the project, the positive results of the developer's outreach, and that this project will be good for Hayward. Mr. Goulart appreciated that Dollinger will be hiring from local unions and community members to create a vibrant project; the addition of the park and he spoke about the need for more local parks.

Mr. Bruce King with Friends of San Lorenzo Creek in Castro Valley, spoke about the positive aspect of the proposed Creek Walk and the importance of protecting the creek from future development. Mr. King commented on the negative impacts of the proposed project and the need to look at the pedestrian and bicycle plans regionally.

Ms. Kathleen Pelton, Hayward resident, supports the project and is looking forward to having a safe walk to BART and said it is important to provide housing and make the site a



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nicer area. Ms. Pelton said that she would like to be included in outreach efforts and reminded everyone that there are more neighborhoods in Hayward besides Prospect Hill.

Mr. Obray Van Buren, Hayward resident, supports the project and noted that Dollinger has addressed all the issues brought up by Council on a previous project. Mr. Van Buren spoke about the positive aspect of a shuttle service which will save residents time to get to BART.

Mr. Frank Goulart, Hayward resident, does not favor the project, said the Prospect Hill Neighborhood had requested a work session after the Environmental Impact Report (EIR) was completed but that did not happen. Mr. Goulart said the project poses permanent unavoidable significant environmental impacts on transportation and circulation. Mr. Goulart said the infrastructure is not there to approve the proposed project. Mr. Goulart suggested moving the north tower so that it wraps around the gas station and away from being across the street from single family development, it was important to have a mid-block crosswalk with signal lights, and ground level stoops or commercial/retail frontage on Hazel Avenue.

Mr. Otis Ogata, Hayward Area Planning Association (HASPA), representing a proponent for walkable systems. Mr. Ogata spoke about the importance of making existing pedestrian pathways more attractive, the same traffic measures that are required for the Maple & Main project should be applied to this project. He spoke in favor of unbundled parking and a shuttle system to incentivize people to get out of their cars and use public transit.

Ms. Amber Collins, Hayward Area Planning Association (HASPA), proposed an alternate plan for trucks to access the area between the commercial area and the creek walk; proposed a café that will improve the project and serve the community; and spoke about the unbundling concept. Commissioner Schott commented on the difficulty of maneuvering a semi-truck.

Mr. Vic Rolita, Hayward resident, spoke in favor of the viable project, especially as a trades person and he is excited that living wage jobs would be created during the construction phase. The project is important to employ local residents and this is a gateway project and there are areas of Hayward that needs improvement.

Mr. Edgar Hernandez, Hayward resident, spoke in support of the project, he is a local union member, is excited to be able to work on the project and help improve the old Mervyns site. Mr. Hernandez requested the Planning Commission to support the project.

Ms. Allison Lasser, Hayward residents, spoke in favor of the project, likes walkability to access commercial/retail, the need for safe housing, likes the design and is a proponent of



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living wage jobs. Ms. Lasser suggested having food trucks along the creek walk and hopes future developments will be required to include the affordable housing element.

Mr. A.T. Stephen, Hayward Area Historical Society, spoke in favor of the project, important for the city to promote a safe walkable downtown. Mr. Stephen spoke about the Downtown Streets Team that helps the homeless population.

Mr. Jeff Dixon, Union Representative for Sprinkler Fitters 483, commended Dollinger for reaching out to the trade unions, spoke in favor of the project as the project will provide opportunities for Hayward's youth to work at a living wage job. Mr. Dixon said this is a Class A project and hopes the Planning Commission will support the project.

Mr. Ben Mullen, Hayward resident, is a union member who is looking forward to this beautiful project, the site is currently dangerous and the project will be a great improvement to this area. Mr. Mullen said that Dollinger has taken the time to conduct outreach and they are an impressive contractor.

Chair Enders closed the public hearing at 9:20 p.m.

Commissioner Willis Jr. commented that the traffic along highways 238, 92 and 580 are regional in nature and Hayward has no control of traffic flow from these arteries. Mr. Willis said that it is not up to a developer address building roadways to make the project acceptable to the community. Mr. Willis commented that unbundling does not work as he has seen residents take advantage of the cost savings and then will park their cars elsewhere. He said to place additional conditions will place an unnecessary burden upon the developer. Mr. Willis Jr. said that there have been other developers whose projects have been turned down and Hayward is getting to be known as a city where it is hard to do business and we do not want this negative image. Mr. Willis supports the project; growth is going to happen and Hayward has been waiting for a good project.

Commissioner McDermott supports this project and currently the old Mervyns site is a dangerous place where there is criminal element, the project will good for the residents, and the community who will be able to live and work here. Ms. McDermott noted receiving letters from residents other than the Prospect Hill neighborhood.

Commissioner Schott commented that there will never be a perfect project, the collected in-lieu fees will be about \$3.5 million and the portion for the park-in-lieu fees can be utilized to improve the creek. Mr. Schott said the City has been failed by AC transit and cannot keep placing transit issues on the shoulders of the developers and the City needs to research alternative forms of transportation. Mr. Schott noted other municipalities' transportation alternatives, asked Transportation Manager Kelley to look at traffic mitigation measures such



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as creating one way streets that can hopefully stop cut through traffic through the neighborhoods, create measures that will bring the traffic further into the downtown area. Mr. Schott said staff and the developer have been working on this project for two and a half years and he supports the project.

Commissioner Parso-York agreed with Commissioner Schott in regards to the unavailability of public transit. He said this is a great project and this kind of development needs to be on every main corridor, the density that a project like this will bring is what will require public transit to consider more routes. Mr. Parso-York will vote against the project in hopes that the City Council will hear the project and put pedestrian safety over maintaining freeway speeds in front of the project and require a crosswalk or pedestrian bridge. Mr. Parso-York commented that he has not seen anything done in the City to make walking safer and more pleasant; he has only seen improvements made that make cars go faster. He said to fix the problems is with higher density, availability of public transit, and safe, more pleasant walking paths so that people are not afraid to walk. Mr. Parso-York does not support the project.

Commission Faria thanked staff and Dollinger for their collaborative efforts. Ms. Faria said there is a combination of elements that will make this project safe. Ms. Faria said the Loop contributes to the unsafe environment and traffic issues will be addressed as part of the Downtown Specific Plan Project. Ms. Faria is a proponent of affordable housing and the City needs to look at the affordable housing requirement for new developments. Ms. Faria said this is a good project, it will be a gateway project for the City and is an opportunity for the City's youth. Ms. Faria supports the project.

Commissioner Goldstein said the affordable housing element needs to be an integrated element, this is a great and diverse community and a great community and affordable housing units should not be separate. Mr. Goldstein said it is not right and is not legal to place the burden of a regional transportation issue on a single developer. Mr. Goldstein said our neighboring municipalities use Foothill and Mission Boulevards as a freeway to bypass freeways that are adjacent to Hayward. The City can begin to address these traffic issues by engaging our neighboring communities with alternatives and take a more regional approach. Mr. Goldstein commended the developer on the collaboration with staff and the community.

Chair Enders acknowledged a member of the public that she will be allow to make a public comment on this item.

Chair Enders appreciated the developer listening to the City Council, Planning Commission staff and the community on this project and asked if something can be done to make the Hazel Avenue side of 400 feet of brick building a more walkable block. Senior Planner Schmidt said the renderings were not clear and went on to describe the decorative elements of the Hazel Avenue parking building which includes the landscaping and walkway. Ms. Enders said that



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she has read all the correspondence and listened to all the speakers. Ms. Enders supports the suggestion of the café for the new public space and she defers to HARDs assessment for the creek walk. Ms. Enders thanked staff for addressing the important element of the cut through traffic in the Prospect Hill neighborhood. Ms. Enders appreciated staff for providing an explanation for transportation demand program to give the developer the opportunity to address traffic issues as the project progresses. Ms. Enders listed conditions that was brought up during this discussion and they are as follows: on-street parking on Foothill Boulevard, café for either Hazel Avenue or the creek walk, mid-crosswalk on Hazel Avenue, include the affordable housing element as opposed to the in-lieu fees.

Commissioner Schott commented that there were 400 pages of documents and shared that the economic impact is about \$14 - \$15 million of additional sales for the City of Hayward, average household is expected to be about \$100,000 with 74% of their expenditures will be in the City of Hayward. Mr. Schott said these monies will be going to small businesses, car sales, grocery stores etc, and that Dollinger understands that commercial and residential can work together which will bring a multi-million-dollar project to the City. Mr. Schott strongly supports this project and asked his fellow Commissioners to also support the project.

Chair Enders reopened the public hearing at 9:52 p.m. at the request of Ms. Stacy Shepherd.

Ms. Stacy Shepherd, Hayward resident, spoke about parking and traffic issues on Rio Vista which is a cross street of Hazel Avenue. Ms. Shepherd asked help from the City with a stop sign and expressed concern that the project will add more parking impacts to her street.

Chair Enders reclosed the public hearing at 9:55 p.m.

Commissioner Faria wanted to clarify that going forward to incorporate the affordable housing element in future developments.

Planning Commissioner Willis Jr. said if he were to build a house, the homeowner would not be responsible for traffic issues and the developer should be held responsible for all traffic and pedestrian issues. Mr. Willis Jr. made a motion to approve the item per the staff recommendation.

Commissioner McDermott seconded the motion.

Planning Commissioner Parso-York made a friendly amendment to include a café along the Creekside to attract people to frequent the Creekside Walk.

Development Services Director Rizk responded to Planning Commissioner Goldstein that staff will be addressing traffic, circulation and improving the pedestrian environment with



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the Downtown Specific Plan. Transportation Manager Kelley responded to Planning Commissioner Goldstein that part of the traffic analysis does discuss and provides options for the adjacent neighborhoods to address speeding and cut through traffic. Mr. Kelley said if there are existing problems staff can evaluate those issues and will continue to evaluate any traffic issues as a course of action. Mr. Kelley said that for a stop sign or other signage staff starts with data collection and evaluation and then determines the best course of action to resolve the issue.

Commissioner Willis Jr. does not accept the friendly amendment as the applicant had previously stated that a café was not a viable option for the Creekside Walk.

Mr. Scott Athearn said a café on the Creekside Walk was not viable and he does not know where it would be placed.

Planning Commissioner Faria said she would defer to the developer as their primary business if commercial and they are the expert in their area. Ms. Faria said she would not support a motion that included the café.

A motion was made by Commissioner Willis Jr., seconded by Planning Commissioner McDermott, to approve the staff recommendation.

The motion passed with the following vote:

AYES:	Commissioners Willis Jr., Goldstein, Schott, McDermott, Faria Chair Enders
NOES:	Parso-York
ABSENT:	None
ABSTAIN:	None

COMMISSION REPORTS

2. Oral Report on Planning and Zoning Matters

Development Services Director Rizk reminded everyone that staff is in the process of developing a new Downtown Specific Plan and have already had several meetings. Mr. Rizk announced that there will be a weeklong design charrette on the Downtown Specific Plan from Tuesday, March 14 through Saturday, March 18, 2017. The final presentation will be the morning of Saturday, March 18. Staff encourages Council Members, Planning Commissioners and the public to participate in this process as this is an important and vital project for the City. In response to Planning Commissioner Parso-York, Mr. Rizk confirmed



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that there will be an agenda for the charrette that will be made available for the Commissioners and will be posted on the City's website.

3. Commissioners' Announcements, Referrals

APPROVAL OF MINUTES

4. Minutes of the Planning Commission Meeting on January 12, 2017.
A motion was made by Planning Commissioner Parso-York, seconded by Planning Commissioner Willis Jr., to approve the Minutes of the Planning Commission Meeting of January 12, 2017. The motion carried with the following vote:

AYES:	Commissioners Willis Jr., Goldstein, Parso-York, Schott, Faria Chair Enders
NOES:	None
ABSENT:	None
ABSTAIN:	McDermott

ADJOURNMENT

Chair Enders adjourned the meeting at 10:12 p.m.

APPROVED:

Julius Willis, Jr. Secretary
Planning Commission

ATTEST:

Denise Chan, Senior Secretary
Office of the City Clerk