

**CITY OF HAYWARD PLANNING DIVISION  
PROPOSED 26-ACRE INDUSTRIAL CAMPUS WITH THREE SPECULATIVE BUILDINGS  
AND A THREE STORY DATA CENTER  
CLAWITER ROAD INDUSTRIAL PROJECT, 25800 CLAWITER ROAD  
MAJOR SITE PLAN REVIEW AND CONDITIONAL USE PERMIT  
APPLICATION NO. 201906718**

**FINDINGS FOR APPROVAL**

**Major Site Plan Review**

Pursuant to Hayward Municipal Code Section 10-1.3081, the Planning Commission or other approving authority may approve or conditionally approve a Major Site Plan Review application when all the following findings are made:

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

The development is consistent with the allowable uses and intensities permitted in the *Industrial Corridor* General Plan land use designation and largely consistent with the regulations and development standards of the General Industrial (IG) and Industrial Park (IP) zoning districts. The applicant is seeking a height of 88 feet for Building 4 (108 feet to the top of the mechanical screening), which exceeds the 75-foot height limit in the IG zoning district. However, Section 10-1.1604 of the Hayward Municipal Code allows for increased building heights through the Major Site Plan Review approval where the approving authority finds that the increase is necessary to provide a more beneficial site layout or will result in public benefits or amenities that could not be achieved under current zoning standards. The project provides a number of public benefits and amenities, including financial backing for new bicycle infrastructure along Clawiter Road, public art featuring a local artist, and an outdoor plaza that could be used for food trucks and other events, thus allowing the Planning Commission the authority to grant such a height request.

In addition, the project requests an exception to the parking requirements of Chapter 10, Article 2 of the Hayward Municipal Code for Building 4, the data center. Pursuant to HMC Section 10-2.350, the minimum parking requirement for wholesale, manufacturing, storage, transportation, and similar uses is one space for each 2,000 square feet of gross floor area for buildings that are 20,000 square feet or greater. The proposed development includes 50 total parking spaces for Building 4, where 140 parking spaces is required based on the proposed size of the building. The applicant has provided justification that the proposed amount of parking is appropriate for the proposed data center, given the unique nature of the use which involves dedicating significant portions of the building to computers, servers, telecommunications, and related equipment. Per the applicant, the proposed data storage center is anticipated to have three employee shifts which will be scheduled to begin and end during off-peak hours, with a maximum of 30 employees during the largest shift. In addition, the applicant has provided an alternative parking plan that demonstrates the additional required parking spaces could be added to the site should the use change in the future.

HMC Section 10-2.420 grants the approving body the authority to make an exception to the required parking requirements in a case such as this, when an “unusually low number of employees” is required for a given use. In addition, the development adheres to the Industrial District Design Guidelines, as specified further in the finding below.

**2. *The proposed 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; and***

The project site has an *Industrial Corridor* General Plan land use designation, which allows for a range of primary uses, including professional offices, corporate campuses, research and development, warehousing and logistics, manufacturing, bio-technology and high-technology uses. The project is consistent with this land use designation in that it includes construction of three speculative industrial buildings that could house a wide range of industrial uses and a data center. It is also consistent with the following General Plan policies related to land use and economic development:

- Policy LU-1.1 Jobs-Housing Balance. The City shall support efforts to improve the jobs-housing balance of Hayward and other communities throughout the region to reduce automobile use, regional and local traffic congestion and pollution.
- Policy LU-1.4 Revitalization and Redevelopment. The City shall encourage property owners to revitalize or redevelop abandoned, obsolete, or underutilized properties to accommodate growth.
- Goal LU-6 Industrial Technology and Innovation Corridor. Enhance the Industrial Technology and Innovation Corridor to expand the economic and employment base of Hayward and to achieve a healthy balance between a manufacturing-based economy and an information- and technology-based economy.

The project is further consistent with the underlying General Industrial (IG) and Industrial Park (IP) zoning district regulations, as specified in the finding above.

The project is further consistent with the City of Hayward Industrial District Design Guidelines. Each building features enhanced architectural treatment at entrances/corners that includes the use of varied materials and projecting shapes. A gateway element is proposed at the northwest corner of the site that incorporates the City’s branding. Employee amenities include an outdoor plaza, clusters of seating, and a walking path with stretching/exercise stations. As conditioned, a commissioned art piece by a local artist will add aesthetic enjoyment for employees and vehicles driving by.

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

Two geotechnical reports, one for Buildings 1, 2, and 3, and another for Building 4 were prepared by Cornerstone Earth Group. This analysis was reviewed and

referenced in the Initial Study/Mitigated Negative Declaration prepared for the project and concluded that the project site is physically suitable for the type of development proposed with the implementation of three mitigation measures related to adhering to the recommendations set forth in the geotechnical reports, preparing a comprehensive site-specific design-level geotechnical exploration, and the proper handling of the unanticipated discovery of paleontological resources. All three of these mitigation measures have been incorporated as project conditions of approval.

**4. *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; and***

The General Plan describes future changes to areas designated as *Industrial Corridor* as including building and landscaping improvements and the redevelopment of underutilized properties so that the industrial area grows as an economic and employment center with a healthy balance of traditional manufacturing and information- and technology-based uses. The development is compatible with this vision outlined in the General Plan, as it is an attractive redevelopment of a highly visible catalyst site which will serve as a model for future large-scale development in the industrial area. In addition, as conditioned, the project's contributions to bike infrastructure along Clawiter Road will provide safe cycling routes for employees of surrounding businesses to utilize.

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

The development is an infill site surrounded by infrastructure with adequate capacity to serve the future development. The IS/MND concluded that the project would not result in adverse Air Quality impacts with the implementation of mitigation measures related to generator operational restrictions. This mitigation measure is included as a condition of approval. In addition, a Health Risk Assessment for the project was prepared by Rincon Consultants. This analysis, which was referenced in and attached to the IS/MND determined that health risks from sources of toxic air contaminant emissions to nearby residents and sensitive receptors would not exceed the Bay Area Air Quality Management District's health risk criteria.

**Conditional Use Permit**

Hayward Municipal Code Section 10-1.1603 requires approval of a conditional use permit for warehousing, wholesale, or distribution uses in buildings that exceed 150,000 square feet. As the future use of Building 3 is unknown at the time of entitlement, and the building exceeds 150,000 square feet, approval of a Conditional Use Permit is required. Pursuant to HMC Section 10-1.3225, the Planning Commission or other approving authority may approve or conditionally approve a Conditional Use Permit application when all the following findings are made:

**1. *The proposed use is desirable for the public convenience or welfare;***

The project is desirable for the public convenience and welfare in that it would result in establishment of a new industrial employment center with the flexibility to house a variety of industrial and technology uses. In addition, the project would provide public benefits such as new bicycle infrastructure along Clawiter Road and contribute to the diversification of uses within the industrial area.

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

The project site is within an industrial neighborhood surrounded by a variety of land uses including food manufacturing, auto repair, a business park, and warehousing. The project is consistent with the intent of the General Industrial and Industrial Park zoning districts, and the architectural design of the buildings and landscaping improvements to the site will enhance the appearance of the area, contributing to an elevated aesthetic of this prominent site.

**3. *The proposed use will not be detrimental to the public health, safety, or general welfare; and***

The analysis in the IS/MND concluded that the project would not create significant Air Quality impacts with the implementation of a mitigation measure related to generator operational restrictions. These restrictions are included as a condition of approval. In addition, a Health Risk Assessment concluded that health risks to nearby residents and sensitive receptors would not exceed the Bay Area Air Quality Management District's health risk criteria.

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

As detailed in the Major Site Plan Review findings above, the project is in harmony with the intent, goals, and policies of the General Plan, Zoning Ordinance and specifically the applicable General Industrial and Industrial Park zoning districts, and the Industrial District Design Guidelines.

**Environmental Review**

1. 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.
2. That the MND was prepared by Rincon Consultants, Inc. on behalf of the City of Hayward acting as the Lead Agency, and that the Draft IS/MND was circulated with a minimum (30) day public review period between December 4, 2020 and January 4, 2021 during which four comment letters were received regarding construction impacts, alignment with State mandates, environmental oversight, impacts to sensitive receptors, and the analysis methodology regarding air quality, greenhouse gas emissions, and biological resources.

3. That the comments received on the Draft IS/MND during the public comment period were reviewed and responded to in the Final IS/MND, with the finding that while some comments required slight revisions to the text or analysis presented in the Draft IS/MND, none of the revisions resulted in new or increased environmental impacts or required new mitigations to reduce those impacts to a level of less than significant.
4. 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.
5. That the proposed MND identified all potential adverse impacts and provided standard or project-based mitigation measures to reduce the effects of such impacts in the areas of Air Quality, Biological Resources, Cultural Resources, Geology/Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, and Tribal Cultural Resources. Based on the proposed 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.
6. That the project complies with CEQA, and that the proposed MND was presented to the deciding body, 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 is the Development Services Department of the City of Hayward, located at 777 B Street, Hayward, CA 94544.