



**DATE:** September 21, 2021

**TO:** Mayor and City Council

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

**SUBJECT:** Adopt a Resolution Approving the Final Map for Tract 8304, a 72-Unit Subdivision Located at 411 and 427 Industrial Parkway

### **RECOMMENDATION**

That the Council adopts the attached resolution (Attachment II) to approve the Final Map for Tract 8304 (Attachment III), find it in substantial conformance with the approved Vesting Tentative Tract Map (Attachment IV), and authorize the City Manager to execute the Subdivision Agreement, related other documents, and take appropriate administrative actions to effectuate the improvements required by the Conditions of Approval.

### **SUMMARY**

The Final Map for Tract 8304 subdivides five existing parcels at 411 and 427 Industrial Parkway for condominium purposes to allow the construction of 72 new condominiums, common open space, 8,000 square feet of commercial space, and related site improvements. Staff recommends that the Council authorizes the City Manager to execute a Subdivision Improvement Agreement to complete all required improvements.

The Final Map and Improvement Plans are based on the Vesting Tentative Map approved by the Planning Commission on January 12, 2017. In late 2019, the project proponent requested a time extension due to environmental cleanup of the site out of their direct control. The Planning Director approved a two-year extension of the Vesting Tentative Map on March 9, 2020 and the decision was subsequently appealed to the Planning Commission. On June 25, 2020, the Planning Commission upheld the Planning Director's decision and approved the extension with amended conditions of approval. The subdivision includes one property owned by the California Department of Transportation (Caltrans), which must be conveyed to the subdivider prior to the recording of the Final Map. The City Engineer has reviewed the Final Map and Improvement Plans and has determined these documents to be in substantial conformance with the City approved Vesting Tentative map, applicable City Standards, and the City's amended conditions of map approval.

## BACKGROUND

Tentative Map - Per State law, Tentative and Final maps are required for subdivision of real property into five or more parcels. A Vesting Tentative Map Application (No. 201504677) showing the proposed subdivision of 411 and 427 Industrial Parkway (APNs 078G-2651-011-02, 078G-2651-012-08, 078G-2651-009-02, 078G-2651-010-03, and 078G-2651-008-00) for condominium purposes to allow the construction of 72 new condominium units, common open space, and one parcel for commercial purposes along with preliminary plans and documents describing the proposed development was reviewed by the Planning Commission. The Planning Commission considered compliance with the Subdivision Map Act, the California Environmental Quality Act, the City Subdivision Ordinance, Zoning Code, the South Hayward BART/ Mission Boulevard Form-Based Code, Building Regulations, the Hayward General Plan, Specific & Neighborhood Plans, and the site-specific requirements of the Planning, Public Works, Fire, and Police Departments and approved the Vesting Tentative Map on January 12, 2017, subject to certain Conditions of Approval.

Pre-dating the approval and in the years following the Planning Commissions' decision, the site has been the subject of a series of investigations to characterize the nature and extent of impacts to soil, soil vapor, and groundwater so that construction of new residential units could move forward. Understanding the process with the RWQCB was taking longer than anticipated and in December 2019, the developer requested a two-year extension of the entitlements to allow them time to finalize: (1) clean-up efforts with the RWQCB; (2) the Improvements Plans and Final Map; and (3) the construction plans. The RWQCB finally conditionally approved the Vapor Intrusion Mitigation Plan in February 2020. In March 2020, staff issued a decision approving a two-year extension of the project, subject to additional conditions of approval requiring timely demolition of the buildings on site and simultaneous development of the commercial component with the residential component. On March 23, 2020, staff's decision was appealed by the appellant, on the basis that they believe the project site should contain a project with higher density and an increased number of affordable units. The Planning Commission considered the appeal on June 25, 2020 and upheld the Planning Director's decision to extend the Vesting Tentative Map with amended conditions of approval.

One of the five parcels (APN 078G-2651-008-00) that comprises the subdivision is owned by Caltrans and was obtained prior to the relinquishment of this portion of State Route 238 to the City of Hayward. The California Transportation Commission has approved the conveyance of this parcel to KB Homes South Bay at a regularly scheduled meeting held June 23, 2021. Caltrans is currently working with the Alameda County Assessor's office regarding a property tax assessment that must be resolved prior to completing the conveyance to KB Homes South Bay and the subsequent recording of the Final Map for Tract 8304. This unforeseen issue is between Caltrans and the County Assessor's Office. Caltrans has initiated the process to resolve the tax assessment with the County Assessor and has requested that Council move ahead with the Final Map approval while the issue is addressed. The proposed resolution includes the requirement for conveyance from Caltrans to be completed prior to recording of the Final Map.

## **DISCUSSION**

*Final Map and Improvements Plans* - After Vesting Tentative Map approval, the subdivider submitted the Final Map and Improvement Plans. The City Engineer has reviewed and determined these documents to be in substantial compliance with the City approved Vesting Tentative map, applicable City Standards and addressing the City's conditions of the map approval.

*Improvement Agreement and Securities* - The subdivider has requested the City's approval of the Final Map before all required improvements are completed as provided for in the State Subdivision Map Act Section 66462. The subdivider has agreed to execute an agreement with the City to complete the improvements required for the subdivision in a timely manner as per the improvement plans approved by the City Engineer and as stipulated in the Hayward Municipal Code Section 10-3.330 (a). Securities for the required improvements have been posted as per Hayward Municipal Code Section 10-3.332(a).

New improvements will include: extension of the City's sewer and water service to each new unit and fire hydrants; new private roadways within the development; site lighting and stormwater treatment basins to be maintained by the Homeowners Association (HOA); and extension of the existing median in Industrial Parkway and restriping to prohibit left turn movements in and out of the new development to improve the safety of the roadway. The project will reimburse the City in the amount of \$240,000 for frontage improvements along Mission Boulevard completed as part of the Phase 2 Mission Boulevard Corridor Improvement. All utilities within the subdivision will be underground.

The Council's approval of the Final Map shall not become effective until and unless the developer enters into a Subdivision Agreement with the City for the construction of improvements and other obligations required per conditions of approval of the Vesting Tentative Tract Map and the conveyance of the Caltrans parcel is completed. Subsequently, the applicant may have the Final Map recorded, obtain building permits, and commence the construction of improvements shown on the approved Improvement Plans.

## **ENVIRONMENTAL REVIEW**

The environmental review was completed when the Vesting Tentative Map was approved in 2017. There is no substantial change proposed in the Project or in its environmental setting, nor is there any new information, which would require additional environmental review.

## **ECONOMIC AND FISCAL IMPACT**

The Final Map, by itself, will not have a fiscal or economic impact. The development created by approval of the final map will improve commerce, provide needed housing and employ construction workers. Property tax revenues received by the City and several other local agencies will increase once the homes are constructed and occupied. The Final Map approval is consistent with the approved project.

## **STRATEGIC ROADMAP**

Approval of the Final Map supports the Preserve, Protect, & Produce Housing priority in the City's Strategic Roadmap, providing a mix of housing stock for all Hayward residents and community members, including the expansion of affordable housing opportunities and resources. This agenda item also supports the Grow the Economy priority with the redevelopment of the long vacant Holiday Bowl site and adjacent strip map with a new mixed-use site. Finally, this item supports the Improve Infrastructure priority with safety improvements on Industrial Parkway and financial contribution the Mission Boulevard Phase 2 project.

## **SUSTAINABILITY FEATURES**

The project as proposed will incorporate the following sustainability features:

*Energy:* The proponent will install solar panels on the commercial building. In addition, the project has been conditioned to be GreenPoint Rated, and that such rating or certification be submitted prior to issuance of certificates of occupancy.

*Water:* The project will follow the Bay Friendly Landscape standards incorporating the use of native species and reducing toxic herbicides into local waterways. The use of drought tolerant species, coupled with separate meters for both the outdoor landscaping and commercial space, will improve water conservation.

*Transportation:* The project provides bicycle parking, street trees along bike paths, accessible seating and overhead shade structures to promote walking, biking and utilization of surrounding public transportation. The project provides a continuous system of connected sidewalks and pedestrian paths from each home through the central park area and commercial building ultimately connecting to Mission Blvd and Industrial Parkway providing a safe mode of travel highlighted by convenient greenways. Sidewalks and paths have been designed at sufficient widths to accommodate pedestrians; parking for the commercial is located behind the building providing a safe buffer from the street and creating a buffered space for the outdoor plaza. The project provides long term bike lockers for four bicycles as well as short term bike racks for an additional 20 bicycles promoting the use of bicycles for both internal residents as well as those biking to the new commercial center.

## **NEXT STEPS**

If the Council approves the Final Map, the applicant will have the Final Map recorded after conveyance of the Caltrans parcel is completed and will execute the Subdivision Improvement Agreement. The applicant will then be able to secure building permits for new units and develop for sale condominium units. Occupancy permits for the new homes will be issued only after the required improvements are completed as per the plans approved by the City and a HOA is incorporated for the maintenance and repair of the new common use improvements within the subdivision.

*Prepared by:* Scott Wikstrom, Development Services Engineer

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

*Approved by:*

A handwritten signature in black ink, appearing to read 'K. McAdoo', is written above a horizontal line.

Kelly McAdoo, City Manager