



SUBJECT

Proposed Demolition of an Existing 74,750-Square-Foot Commercial Building and Construction of a New 47-Lot Single-Family Residential Subdivision on a 5.4-Acre Site Located at 1000 La Playa Drive (Assessor's Parcel Number 442-0038-001), Requiring Approval of General Plan Amendment, Rezone and Vesting Tentative Tract Map Application No. 202004457, and Approval of a Mitigated Negative Declaration with Mitigation Monitoring and Reporting Plan Prepared for the Project in Accordance with the Requirements of the California Environmental Quality Act (CEQA); Applicant: D.R. Horton Bay, Inc.; Owner: Quach's Hayward LLC.

RECOMMENDATION

That the Planning Commission recommend the Council approve the proposed General Plan Amendment, Rezone and Vesting Tentative Tract Map (Attachment IV), and recommend approval of the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan (Attachments V and VI, respectively), based on the analysis set forth in this report and per the Findings (Attachment II), and subject to the Conditions of Approval (Attachment III).

SUMMARY

The proposed project would result in the demolition of the existing commercial building (formerly Burlington Coat Factory) and a surface parking lot to allow the construction of 47 new two-story single-family dwellings with a 0.3-acre private open space and related on- and off-site improvements. The proposed lots would range in size from 2,925 to 6,161 square feet and feature homes ranging from 1,549 to 2,019 square feet and contain two-car garages and three to four bedrooms each.

The project site currently has a General Plan land use designation of Retail and Office Commercial (ROC) and is zoned Neighborhood Commercial (CN). In order to develop the site with the proposed residential uses, the applicant is proposing to change the General Plan land use designation of the property to Medium Density Residential and rezone it to Planned Development (PD) District.

To comply with the requirements of the City's Affordable Housing Ordinance (AHO), the applicant will provide four for-sale affordable units to moderate income households and pay a portion of the affordable housing in-lieu fees for the fractional unit (0.7) to account for the 10 percent (4.7-unit) requirement. The fractional unit is equivalent to nearly 15% of the total affordable housing in-lieu fee for the project. In addition, the applicant has elected to exceed the minimum requirements of the AHO by paying additional affordable housing in-lieu fees

equivalent to three tenths (0.3) of the proportional share of the fee of one affordable unit. In total, the applicant will be providing four affordable units and just over 21% of the affordable housing in-lieu fee for the project, which is proposed in exchange for consideration of the General Plan Amendment and PD Rezone.

BACKGROUND

The subject property was originally developed with an office building in 1968. In 1992, the site changed from an office use to a retail commercial use when Burlington Coat Factory moved into the building. Both the office building and the Burlington Coat Factory store were permitted uses under the property's zoning. As such, there is no history of conditional land use entitlements associated with the subject property.

Council Economic Development Committee. On December 2, 2019¹, the Council Economic Development Committee (CEDC) reviewed a previous iteration of the project which featured 78 total dwelling units, including 52 three-story townhomes and 26 two-story, single-family homes. The CEDC was generally supportive of the proposed redevelopment of the site with residential uses, but wanted to ensure that the applicant included on-site affordable units as part of the project rather than paying in-lieu fees. It also directed the applicant to conduct neighborhood outreach to obtain feedback on the proposed plans early in the application process. Additional neighborhood outreach efforts are highlighted below in the Public Outreach section of this report.

Alameda County Airport Land Use Commission. In early 2020, the applicant presented various project iterations, similar to the one presented to the CEDC, to the Alameda County Airport Land Use Commission (ALUC) Planning Department, but the ALUC's staff was unable to recommend approval of those iterations on the grounds that their density was incompatible with the Hayward Executive Airport Land Use Compatibility Plan. In April 2021, the applicant submitted the current plan featuring 47 units to ALUC staff and on June 16, 2021², the ALUC conducted a request for a Determination of Compatibility for the proposed project. At that meeting, the ALUC determined that the project was compatible with the Land Use Compatibility Plan as infill development since it was of a similar density to the existing single-family residential development abutting the site to the south and east and voted unanimously to allow it to proceed as proposed.

Public Outreach: The Planning Division mailed out a total of 361 Notice of Receipt of Application (NOR) for the project on November 6, 2020. At that time, the proposed plans featured a mix of three-story townhomes and two-story single-family detached units. Staff received six emails from members of the public in response to the NOR. Opinions were mixed, with some being opposed to having additional housing in the neighborhood based on concerns about increased traffic and loss of privacy, while others were supportive of removing the existing building and redeveloping the property with new residential units.

¹ December 2, 2019 Council Economic Development Committee meeting minutes: <https://hayward.legistar.com/MeetingDetail.aspx?ID=735372&GUID=DD94E49D-81BD-468D-BF0A-9179CC4B3D0D&Options=info&Search=>

² June 16, 2021 Airport Land Use Commission meeting webcast: <https://www.acgov.org/cda/planning/agendas.htm>

On October 1, 2021, a total of 445 notices of this public hearing and a Notice of Intent (NOI) to Adopt a Mitigated Negative Declaration with Mitigation Monitoring and Reporting Plan were mailed to the owners and occupants of all properties within a 300-foot radius of the project site, as well as to interested parties who requested to be notified about the project. The NOI was also posted at the Alameda County Clerk-Recorder's Office and published in the Daily Review in accordance with the applicable CEQA requirements. Staff received one phone call from a citizen residing on Calaroga Avenue who expressed concern about the increase in traffic that would result from the project. No other correspondence was received prior to the publication of this staff report.

In addition to the notices sent by the Planning Division, the applicant also conducted public outreach for the current proposal over a two-month period from December 2020 through February 2021. This outreach included going door-to-door to all the homes abutting the project site, sending out invitations to approximately 75 homes around the site to an on-site neighborhood meeting which was conducted on February 5, 2021, and a follow-up Zoom meeting which was conducted on February 24, 2021. One neighbor attended the on-site meeting, and approximately 10 neighbors attended the Zoom meeting. Feedback during these meetings was generally positive, with most attendees expressing support for the two-story single-family dwelling plan over the previous plan that included three-story townhomes.

PROJECT DESCRIPTION

Existing Conditions: The project site consists of a single 5.4-acre parcel located at the southwest corner of the intersection of La Playa Drive and Calaroga Avenue. The site is currently occupied by a vacant three-story, 74,750-square-foot commercial building that previously housed a Burlington Coat Factory store. The building is surrounded by a large, paved surface parking lot containing 17 trees.

La Playa Drive, a six-lane wide private street encircling Southland Mall, borders the site to the north. There is an existing sidewalk along the property's La Playa Drive frontage containing six street trees. Calaroga Avenue, a four-lane public street with bike lanes, borders the site to the east. There is an existing sidewalk along the property's Calaroga Avenue frontage that previously had street trees, but the trees were recently removed by the City because they were damaging the sidewalk, and the sidewalk was reconstructed. The property is bordered by an automotive repair shop and religious facility to the west, single-family homes to the south, a professional office building and additional single-family homes across Calaroga Drive to the east, and the Southland Mall across La Playa Drive to the north.

The site is located approximately one mile from and within the attendance areas of Eden Gardens Elementary School and Ochoa Middle School and is $\frac{3}{4}$ -mile from Chabot College. The nearest transit service consists of two AC Transit bus routes running along Hesperian Boulevard that provide local service to the Hayward, Union City and Bay Fair BART stations, as well as Cal State University East Bay and Chabot College. Five public parks are also located within one mile of the site.

Proposed Project: The proposed project would result in the demolition of the existing 74,750-square-foot commercial building and removal of all existing surface parking and on-site trees

to allow the construction of a 47-unit single-family residential subdivision with related project improvements (see Figure 1, below). Forty-four of the 47 units would be accessed via a new, 36-foot-wide P-shaped private street leading into the subdivision from La Playa Drive. The remaining three units would take access from Calaroga Avenue. Five commonly-owned parcels are proposed as part of the subdivision, including one for the private street, three for the private courts that would stub off it, and one for a large bioretention area and small neighborhood green space. An emergency vehicle access easement (EVAE) would be provided connecting the private street to Calaroga Avenue in order to provide a second means of ingress/egress for emergency vehicles. Sidewalks would be provided along one side of the private street, and the existing sidewalks along La Playa Drive and Calaroga Avenue would be reconstructed along the full length of the project's two street frontages, with accessible curb ramps provided at the entrance to the new private street. A new bulb-out would be constructed at the southwest corner of the intersection of Calaroga and La Playa to slow down vehicles turning right (southbound) from La Playa onto Calaroga in order to protect the occupants of the three homes facing Calaroga while they back out of their driveways into the street (Note: this bulb-out is not shown in the project plans, but a condition of approval [Condition no. 120] is included requiring its construction).

Figure 1 – Proposed Site Plan



The residential lots range in size from 2,925 to 6,161 square feet, featuring five separate floor plans ranging in size from 1,549 to 2,019 square feet and containing two-car garages and three to four bedrooms each. The majority of units would open onto the new private street or

the three private courts that stub off of it. The six outer lots along La Playa Drive would have their front entries oriented toward that street, while the three lots along Calaroga Avenue would have their front entries oriented toward that street. All of the lots will include a landscaped front yard and a private backyard, enclosed within a solid, 6-foot-high wood fence.

Each unit features a side-by-side two-car garage with a driveway capable of accommodating at least two additional parking spaces, and the private street would also be able to accommodate at least 23 parallel, on-street spaces for guests. The private courts would be marked as fire lanes and would not be able to be used for parking.

The project site currently has a General Plan land use designation of Retail and Office Commercial and is zoned Neighborhood Commercial (CN). The proposed project requires a General Plan Amendment to change the land use designation to Medium Density Residential, a Rezone to Planned Development (PD) District, and a Vesting Tentative Map.

Landscaping and Tree Removals: A 0.3-acre, commonly-owned bioretention area with a small open space (shown as Parcel A in Figure 1) would be provided alongside the EVAE and would separate the three proposed homes along Calaroga Avenue from the existing homes to the southwest. The open space would include picnic tables, a seat wall, hardscaping and shade trees, and be accessed via a meandering path connecting the private street to Calaroga Avenue. A mix of small, medium, and large canopy trees and shrubs would be planted throughout the development, with each lot having at least one front yard tree, and all front and street side yards would be fully landscaped with a mix of drought-tolerant shrubs and ground covers.

In all, a total of 24 trees would be removed as a result of the project, with 18 trees removed from the site, itself, and six street trees removed from the La Playa Drive frontage. An arborist report was prepared for the project in January 2021 which determined that the appraised value of the existing trees to be removed was \$66,819. To mitigate for the appraised value of the trees being removed, the applicant would plant 162 total trees at a total value of \$116,150. Thirteen new street trees would be planted along La Playa Drive, three new street trees would be planted along Calaroga Avenue, and the remaining 146 trees would be planted throughout the development along the private streets, in the front and rear yards of each lot, and within the bioretention area and small open space. All streets being planted would be 36-inch box size, and another nine trees being planted within the bioretention area would be 48-inch box.

Sustainability Features: The proposed project would comply with the California Green Building Standards Code (CALGreen) and the City's Reach Code by featuring all-electric homes that contain no gas-powered appliances, two-car garages with parking spaces that are electric vehicle-ready, and solar roofs on each home. In addition to these sustainable building measures, the proposed project would incorporate Transportation Demand Management (TDM) strategies to minimize single-occupancy vehicle usage by providing preloaded Clipper Cards to homeowners upon the sale of each unit to encourage transit usage. Furthermore, the project's Homeowners Association would be required to set aside an annual subsidizing fund for a Clipper Card reimbursement program in order to sustain transit usage by the project's residents (see Conditions of Approval No. 27 – Mitigation Measure TRN-2.1 and No. 79 in Attachment III)

POLICY CONTEXT AND CODE COMPLIANCE

Hayward 2040 General Plan: The project requires an Amendment of the *Hayward 2040 General Plan*³ land use map to change the land use designation from Retail and Office Commercial to Medium Density Residential. The Medium Density Residential designation generally applies to urban and suburban areas of the city that contain a mix of housing types, including single-family dwellings, duplexes, townhomes, and multi-story apartment and condominium buildings. The designation allows for new residential development at a density of 8.7-17.4 dwelling units per net acre⁴. The proposed development features single-family dwellings at a net density of 11.4 units per acre, consistent with the allowable density range.

In addition to being consistent with the Medium Density Residential land use designation, the project is consistent with a number of *Hayward 2040 General Plan* goal and policies, including but not limited to the following:

- The City shall encourage property owners to revitalize or redevelop abandoned, obsolete, or underutilized properties to accommodate growth (General Plan Land Use Policy LU-1.4).
- The City shall protect the pattern and character of existing neighborhoods by requiring new infill developments to have complimentary building forms and site features (Land Use Policy LU-3.7).
- The City shall promote urban design principles that support active use of public spaces in neighborhoods, commercial areas, and employment centers at all times of day. Active use of public spaces provides “eyes-on-the-street” to enhance public safety in these areas (Community Health and Quality of Life Policy HQL-5.3).
- Assist in the Development of Affordable Housing. The City shall enforce the Inclusionary Housing Ordinance to ensure that a certain percentage of new residential units will be made affordable to lower- and moderate-income households (General Plan Housing Goal 2 and Policy H-2.3).
- The City shall implement land use policies that allow for a range of residential densities and housing types, prices, ownership, and size, including low-density single family uses, moderate-density townhomes, and higher-density apartments, condominiums, transit-oriented developments, live-work units, and units in mixed-use developments (Housing Policy H-3.1).
- The City shall encourage development of residential uses close to employment, recreational facilities, schools, neighborhood commercial areas, and transportation routes (Housing Policy H-3.4).

Additional discussion related to the General Plan Amendment is included in the Staff Analysis section below. A copy of the proposed General Plan land use map is included as Attachment VIII.

³ Hayward 2040 General Plan Land Use Map:
<https://www.hayward2040generalplan.com/land-use>

⁴ Net acreage excludes all streets and courts in subdivisions with private streets. Note that the Site Data Summary table on Sheet SD-1 of Attachment IV lists a proposed net density of 10.8 units/acre. This figure is incorrect, however, as it does not account for the three private courts being proposed (Parcels C, D and E)

Zoning Ordinance: The proposed project includes a Rezone from CN to PD District. Pursuant to HMC Section 10-1.2505⁵, the purpose of the PD District is to encourage development and redevelopment of sites through efficient and attractive space utilization that is harmonious with the characteristics of the land and incorporates open space and recreational opportunities, and to foster well-designed development that incorporates a variety of housing types by allowing diversification in the relationship of uses, buildings, lot sizes, yard areas and open spaces that may not be achievable under applicable zoning districts. Pursuant to HMC Section 10-1.2535⁶, in order to approve a preliminary PD District rezone, the Planning Commission and City Council must make the following findings:

- a. The development is in substantial harmony with the surrounding area and conforms to the General Plan and applicable City policies;
- b. Streets and utilities, existing or proposed, are adequate to serve the development;
- c. In the case of a residential development, that the development creates a residential environment of sustained desirability and stability, that sites proposed for public facilities, such as playgrounds and parks, are adequate to serve the anticipated population and are acceptable to the public authorities having jurisdiction thereon, and the development will have no substantial adverse effect upon surrounding development;
- e. In the case of a development in increments, each increment provides a sufficient proportion of total planned common open space, facilities, and services so that it may be self-contained in the event of a default or failure to complete the total development according to schedule; and
- f. Any latitude or exception(s) to development regulations or policies is adequately offset or compensated for by providing functional facilities or amenities not otherwise required or exceeding other required development standards.

Pursuant to HMC Section 10-1.2520⁷, for new PDs, the standards for lot area and dimensions, setbacks, building heights, landscaping, open space, fencing and parking shall be the standards of the zoning district most similar in nature and function to the proposed PD District. In this case, the proposed development is most similar to the Single-Family Residential (RS) zoning district. Table I below, provides a comparison of the proposed PD District to the applicable RS District standards. As the table shows, the applicant is seeking deviations from the minimum lot size, frontage, and width and depth requirements, as well as minimum setbacks and maximum lot coverage for most of the proposed lots. A copy of the proposed Zoning Map is included as Attachment VIII.

⁵ HMC Section 10-1.2505 - Purpose:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.2500PLDEDIPD_S10-1.2505PU

⁶ HMC Section 10-1.2535 - Findings Required:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.2500PLDEDIPD_S10-1.2535FIRE

⁷ HMC Section 10-1.2520 - Standards of Development:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.2500PLDEDIPD_S10-1.2520STDE

Table 1 – Required & Proposed Development Standards			
District Standard	District Requirement	PD District – Proposed	Consistent?
<i>Min. Lot Size</i>	5,000 square feet 5,914 sq. ft. corner lot	Interior lots: 2,925 to 6,161 sq. ft. Corner lots: 3,300 to 4,351 sq. ft.	One interior lot would be consistent; all others would not.
<i>Min. Lot Frontage</i>	35 feet	Range: 20 to 62 feet	41 lots would be consistent; 6 lots would not.
<i>Min. Average Lot Width</i>	50 feet for interior lots 60 feet for corner lots	Range: 45 to 60 feet for interior lots Range: 50 to 60 feet for corner lots	9 lots would be consistent; 38 lots would not.
<i>Min. Average Lot Depth</i>	80 feet	Range: 65 to 90 feet	5 lots would be consistent, 42 lots would not.
<i>Minimum Setbacks</i> Front Sides Street Side Rear	20 feet 5 feet or 10% lot width 10 feet 20 feet	Range of 8 to 35 feet Range of 4 to 6 feet Range of 10 to 16 feet Range of 10 to 29 feet	Most lots would have smaller front and rear yards, but generally consistent side and street side yards.
<i>Max. Lot Coverage</i>	40%	22% - 47%	34 lots are consistent; 13 lots exceed the limit
<i>Maximum Height</i>	30 feet	Approx. 24.5 to 26 feet	All lots would be consistent
<i>Minimum Parking</i>	Two parking spaces within a garage	Two parking spaces within an enclosed garage for all units	All lots would be consistent

Amenities Provided for PD Rezone. Pursuant to HMC Section 10-1.2535(f)⁸, any deviations from or exceptions to the base district standards shall be compensated by the provision of amenities not otherwise required or exceeding other required standards. The applicant is proposing to offset the proposed deviations from the base standards by providing larger mitigation trees than the minimum requirement throughout the development, making a \$5,000 cash contribution to the City’s planned public art installation project at Heritage Plaza, and paying the in-lieu fee for a full fifth affordable housing unit instead of for the standard requirement of the 0.7 fraction of a unit. Specifically, the applicant is proposing to plant 36-inch box street trees along the La Playa Drive and Calaroga Avenue frontages and all internal private streets, and 48-inch box trees within the bioretention area, when the minimum required size is 24-inch box.

Housing Element, Regional Housing Needs Allocation & Affordable Housing. Local jurisdictions report progress annually on meeting their Regional Housing Needs Allocation (RHNA) goals which are included in the City’s Housing Element. Table 2 demonstrates progress made toward meeting Hayward’s RHNA goals for the period between 2015-2023 as of the last reporting year (2020), which is shown in the column titled “Reported 2020.” The State allows local jurisdictions to “report” the units when building permits are issued to construct the units. The “Approved” and “Pending Approval” columns provide an estimate of potential

⁸ HMC Section 10-1.2535 – Findings Required:

https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.2500PLDEDIPD_S10-1.2535FIRE

compliance by counting both entitled projects and projects going through the entitlement process.

Table 2: 2023 RHNA Goal Progress in the City of Hayward

Income Category*	Unit Goal	Reported 2020		Approved		Pending Approval		Estimated Compliance		Estimated Deficiency	
		Units	% of Goal	Units	% of Goal	Units	% of Goal	Units	% of Goal	Units	% of Goal
Very low	851	65	8%	217	25%	75	9%	357	42%	494	58%
Low	480	153	32%	197	41%	4	1%	354	74%	126	26%
Moderate	608	72	12%	89	15%	40	7%	201	33%	407	67%
*The City has achieved the Above Market Rate housing goals for the 2015-2023 RHNA cycle.											

The proposed project is subject to the requirements set forth in HMC Chapter 10, Article 17 - Affordable Housing Ordinance⁹. An applicant may satisfy the requirements of the ordinance by paying an affordable housing in-lieu fee or including affordable units within the proposed development. Pursuant to HMC Section 10-17.210, if the applicant elects to provide on-site for-sale units, it shall deed restrict no less than 10% of the total units for moderate income households. Further, the affordable units shall be integrated within the proposed residential development, shall be of similar or the same quality, and shall provide access to the same amenities as the market rate units in accordance with HMC Section 10-17.220.

Based on direction received from the CEDC in December 2019, the applicant has elected to provide affordable for-sale units on site. Per the ordinance, the project is required to provide 4.7 units (ten percent of 47 units) affordable to moderate income households earning up to 120 percent of the area median income for Alameda County. The project will provide four on-site for-sale units affordable to moderate income households. The provision of four units deed restricted as affordable to moderate income households will increase the City's RHNA compliance as shown in the above table by nearly one percent in the moderate-income category. Of the four affordable units being provided, two would be Plan Type 1 units having 1,549 square feet with three bedrooms, two-and-a-half bathrooms and a two-car garage, and two would be Plan 2 Front Entry Type units having 1,810 square feet with four bedrooms, two-and-a-half bathrooms, and a two-car garage. The applicant is proposing to construct all 47 homes in nine total phases and would construct one affordable unit in each of phases 3 through 6.

Instead of paying the in-lieu fee for the remaining 0.7 fraction of a unit, the applicant is proposing to round up the fraction and increase the affordable housing in-lieu fee payment by over 42% as one form of compensation for the exceptions being requested from the base standards of the RS zoning district as part of the PD District rezone. This would result in a significant increase in total in-lieu fees paid to the city for the production of additional affordable housing throughout the community. A copy of the Affordable Housing Plan is included as Attachment VII.

⁹ HMC Chapter 10, Article 17 – Affordable Housing Ordinance:
https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART17AFHOOR

Parkland Dedication: HMC Chapter 10, Article 16 – Property Developers-Obligations for Parks and Recreation¹⁰ sets forth the parkland dedication requirements for private development based on residential unit count. Pursuant to the Ordinance, the applicant must pay fees in lieu of land dedication (also referred to as Park Impact Fees). Currently, Park Impact Fee rates are calculated on bedroom count. The proposed plans feature six total 3-bedroom units and 41 total 4-bedroom units. A condition of approval is included requiring the applicant to pay the applicable Park Impact Fees in effect at the time of building permit issuance.

Vesting Tentative Tract Map 8581: The proposed project includes a Vesting Tentative Tract Map (Tract 8581). The Vesting Tentative Tract Map features 47 single-family lots, one common open space parcel (Parcel A) containing the emergency vehicle access easement, a large stormwater treatment facility and small open space, one private street parcel for the P-shaped private street (Parcel B), and three private court parcels (Parcels C, D and E). The project site is considered an infill site, and the City provides water and sanitary sewer service to it and has adequate capacity to serve the proposed subdivision. Public access to the subdivision would be provided via the new private street to be constructed off La Playa Drive, while a separate emergency vehicle access easement would be provided that would connect the private street with the Calaroga Avenue public right-of-way.

Maintenance of all private facilities within the subdivision, including all roads, sidewalks, driveways, common area landscaping, open space and stormwater treatment facilities would be handled by a Homeowners Association that will be required to be established as a project condition of approval.

STAFF ANALYSIS

As previously mentioned, the project includes an amendment to the *Hayward 2040 General Plan* to change the land use designation of the property from Retail and Office Commercial to Medium Density Residential and a Rezone from CN to PD District. Staff believes the Commission can make the findings required to recommend Council approval of the project based on the analysis provided below. The findings and conditions of approval to support the recommendation for approval are included in Attachments II and III to this staff report, respectively.

General Plan Amendment: The project would promote the public health, safety, convenience, and general welfare of the residents of Hayward in that it would result in the redevelopment of a vacant, underutilized commercial site with new housing that would generally be compatible with the surrounding residential development and follow the existing residential development pattern of the area. The site is suitable for residential uses in that it has convenient access to a variety of retail and service uses at nearby Southland Mall and along the Hesperian Boulevard corridor a short distance away to the west. The new units would feature smaller lot sizes and floor plans catered to small- and medium-sized families who may be first-time homebuyers and who do not necessarily have the need for or desire to maintain large private yards. Furthermore, the new homes situated along La Playa Drive would have

¹⁰ HMC Chapter 10, Article 16 – Property Developers-Obligations for Parks and Recreation:
https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART16PRDEBLPAR
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their front porches and portions of the first and second floor living spaces oriented towards the street which would improve overall safety in the area by providing “eyes on the street.” Finally, the project would support the general convenience and welfare of Hayward residents by offering a variety of home sizes to the market and providing four for-sale affordable units on-site as part of the development in an area that is well-served by commercial uses and services, schools and parks, and that has convenient access to public transportation and freeways.

PD Rezone: As described above, the applicant is proposing to rezone the property to PD District to enable it to be redeveloped as a single-family residential project featuring a mix of lot sizes that are smaller than the conventional standards of the RS District, but still generally compatible with the adjacent residential uses to the south and east. Pursuant to HMC Section 10-1.2520, the standards for lot area and dimensions, setbacks, building heights, landscaping, open space, fencing and parking shall be the standards of the zoning district most similar in nature and function to the proposed PD District. HMC Section 10-1.2535(f) allows for applicants to propose exceptions to the base development standards of the applicable zoning district as long as such exceptions are adequately compensated for through the provision of functional facilities or amenities not otherwise required or exceeding other required standards.

As shown in Table 1, the proposed development features several lots that do not conform to various development standards of the RS District, including minimum lot size and minimum setbacks. However, to compensate for these exceptions, the applicant is proposing to provide on-site and off-site amenities that exceed the required standards, make a donation to a City-sponsored public art project, and pay additional affordable housing in-lieu fees beyond the minimum amount required. Specifically, the applicant would provide larger trees along all existing and proposed streets and within the bioretention area than the minimum requirement. In addition, the applicant is proposing to pay a \$5,000 cash contribution to the City’s planned public art installation project at Heritage Plaza. Finally, in addition to providing four on-site for-sale units and paying the in-lieu fee for the remaining 0.7 unit, the applicant is proposing to round up the fraction and increase the affordable housing in-lieu fee payment by over 42%.

ENVIRONMENTAL REVIEW

An Initial Study evaluating the potential environmental impacts of this project was prepared in accordance with the requirements of CEQA. The Initial Study found that the proposed project would result in potential impacts in the areas of Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Noise, Transportation and Mandatory Findings of Significance, and contains mitigation measures that reduce the identified impacts to a level of less than significant. A Notice of Intent to Adopt a Mitigated Negative Declaration (NOI) was filed with the Alameda County Clerk and published in the Daily Review on October 1, 2021. The NOI and the Initial Study were posted at City Hall and delivered to the Hayward libraries, and copies of the NOI were sent to interested parties and property owners within 300 feet of the project site on October 1, 2021. The public comment period for the proposed Negative Declaration and Initial Study ended on October 21, 2021.

A copy of the Initial Study, NOI, Draft Mitigated Negative Declaration (MND), and Mitigation Monitoring and Reporting Plan (MMRP) are attached to this report for the Commission's review and consideration (Attachments V and VI, respectively). The Commission must consider the documents prior to forming a recommendation on the proposed project. As of the release of this staff report, staff has not received any comments on the Draft Mitigated Negative Declaration.

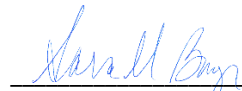
NEXT STEPS

Following the Planning Commission hearing, the City Council is scheduled to consider this item at their regular meeting on November 16, 2021.

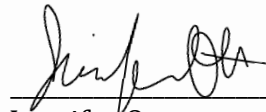
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Recommended by: Jeremy Lochirco, Acting Planning Manager

Approved by:



Sara Buizer, AICP
Deputy Development Services Director



Jennifer Ott
Assistant City Manager/Development Services Director