



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: PH 16-041, **Version:** 1

DATE: May 24, 2016

TO: Mayor and City Council

FROM: Director of Development Services

SUBJECT

Recommended approval of a proposed project at 81 Fagundes Court for twenty-eight detached single-family homes and fourteen attached townhomes on a 3.2-acre site; KB Home Bay Area (Applicant)/ Steven Amaral (Owner)

RECOMMENDATION

That the City Council:

1. Adopts the attached resolution (Attachment I), adopting [Initial Study, Mitigated Negative Declaration \(MND\), and Mitigation Monitoring and Reporting Program](http://www.cityofhayward-ca.gov/CITY-GOVERNMENT/DEPARTMENTS/DEVELOPMENT-) <<http://www.cityofhayward-ca.gov/CITY-GOVERNMENT/DEPARTMENTS/DEVELOPMENT-> (MMRP) and Vesting Tentative Tract Map 8266, subject to the Conditions of Approval attached to the resolution; and
2. Introduces the attached ordinance (Attachment II), approving the Zone Change application to build twenty-eight detached single-family homes and fourteen attached townhomes.

SUMMARY

Staff is supportive of the revised project because it provides much needed ownership housing at a density and design that is compatible with surrounding developments and provides improved pedestrian access and increased number of parking spaces in response to Council's direction at the December 15, 2015 public hearing. The Planning Commission also recommends approval of the revised project.

BACKGROUND

Reviews of Previously Proposed Project - This project previously entailed forty-two detached single-family homes and was reviewed by the Planning Commission on [November 19, 2015](http://hayward.legistar.com/gateway.aspx?m=l&id=/matter.aspx?key=1623) <<http://hayward.legistar.com/gateway.aspx?m=l&id=/matter.aspx?key=1623>>, and unanimously recommended to City Council for approval ([meeting minutes](https://hayward.legistar.com/View.ashx?M=E3&ID=418395&GUID=AAB0B5F3-FB2F-4E2B-BC30-E734E2117DEF) <<https://hayward.legistar.com/View.ashx?M=E3&ID=418395&GUID=AAB0B5F3-FB2F-4E2B-BC30-E734E2117DEF>>). During the [December 15, 2015](http://hayward.legistar.com/gateway.aspx?m=l&id=/matter.aspx?key=1691) <<http://hayward.legistar.com/gateway.aspx?m=l&id=/matter.aspx?key=1691>> City Council meeting, the Council referred the project back to the Planning Commission for further review and direction "to eliminate the private gated community nature of the project, create a public park, and consider mitigation measures for the current parking situation". Revisions to the project entail an additional ten on-site parking spaces and eleven additional spaces across from the project site along

Huntwood Avenue, and elimination of previously proposed entry gates that will allow the project's open space areas to be more accessible. A summary of the applicant's response to items discussed by the City Council is included later in this report.

Review of Revised Design by Planning Commission - The item was heard by the Planning Commission on April 28, 2016 <<https://hayward.legistar.com/MeetingDetail.aspx?ID=482745&GUID=48457302-BA21-4BC0-BB79-C37E0D38BA41&Options=&Search=>>>. During that meeting, the Planning Commission recommended 5 to 2 that Council approves the project (see minutes, Attachment V). A summary of items discussed by the Planning Commission is included in the Discussion section of this report.

DISCUSSION AND STAFF ANALYSIS

Based on the response from the City Council to the previously proposed project, the applicant has revised the site layout and has provided additional off-site improvements. These improvements are shown on the plans, Attachment IV. The revisions include:

1. Improvement to Huntwood Avenue across from the project frontage to add an additional eleven on-street parking spaces adjacent to the project;
2. Modification of unit type mix to include fourteen attached units, which provides more space that would allow the inclusion of ten additional on-site parking spaces, with six located along the Private Street D and four located along Private Street G; and
3. Removal of all pedestrian and vehicular gates from the project to promote connected neighborhoods and support General Plan Policy LU-3.11, which discourages gated neighborhoods "to encourage social cohesion and to promote an interconnected and accessible street network that allows public access through all city neighborhoods." The entrance along Fagundes Street is proposed to have bollards, versus gates, to restrict vehicle access while allowing pedestrian connectivity.

With these revisions, the project is more consistent with the General Plan and Zoning Ordinance than the previous proposal. The neighborhood is more connected with its surroundings, and the potential impact on neighboring streets and properties is much more limited. With this design, a total of 111 off-street parking spaces are required. Each unit is provided with a two-car garage, providing a total of eighty-four spaces. An additional thirty-two spaces are provided along Private Street D and Private Street G, bringing the total number of off-street parking spaces provided to 116. Thus, the project is consistent with the City's standards for off-street parking.

The existing neighborhood is already impacted by parking due to the fact that the development to the south of this project site, Austin Commons, is not consistent with the City's current standards for off-street parking. With 208 apartment units, that project would require 400 parking spaces by current standards, while only 354 off-street spaces are provided. Austin Commons is legally nonconforming related to number of on-site parking spaces in that it was developed prior to the 1996 update to parking standards for multi-family developments, which increased the required number of parking spaces to 1.7 for each one bedroom unit and 2.1 for each two bedroom unit. The project currently under consideration meets all requirements for off-street parking and also includes the creation of additional parking along Huntwood Avenue, which should result in an improvement in parking conditions in the area.

April 28, 2016 Planning Commission Hearing - During the April 28, 2016 Planning Commission meeting

(see minutes, Attachment V), the Planning Commission reviewed the changes and recommended by a vote of 5 to 2 that Council approves the project. However, there was a great deal of discussion on three key items: noise from the railroad, open space and parkland, and parking.

Noise from Trains - With respect to noise from the trains, there was discussion if a sound wall is warranted adjacent to the railroad tracks. Sound walls are very common for projects that directly abut railroads, such as those which are north of Jackson Street in the vicinity of this project. However, south of Jackson Street, the railroad line is directly abutted by Huntwood Avenue, which creates a buffer between projects and the railroad tracks. A sound wall therefore is much less effective here because the area where it would be most effective is directly next to the wall, which in this case is not backyards but instead, an open area and Huntwood Avenue. Providing a sound wall also would shield the entire railroad area from view from Huntwood Avenue, making the area much more amenable to crime and other illicit activities.

The project was studied for noise impacts as part of the City's environmental review, and a noise study was prepared by a qualified consultant. The recommendations of that study, including using special building materials and windows to dampen noise, are included in the Mitigation Monitoring and Reporting Program and reduce the noise level to a level which is acceptable based on the Municipal Code.

Open Space and Parkland - With respect to open space and parkland, the project is providing a 5,800 square foot central open space area developed with tables and benches as well as a natural play area composed of decomposed granite with structures for children to play on. This open space area, to be maintained by the homeowners' association (HOA), is not required by City code and is provided as an amenity to offset other provisions of the Planned Development designation. This open space area does not qualify as a public park for the purpose of satisfying park dedication requirements, and therefore the developer will also pay \$494,214 in park in-lieu fees to be used to improve or expand parks within the same park zone as this project.

The Hayward City Council sometimes requires a new park within larger developments, such as the 179-unit La Vista development to the east of Mission Boulevard, but for smaller in-fill projects, such as this one, providing a public park on-site is often difficult because the total project area is relatively small and therefore, the potential for a new on-site park and a feasible project is very limited. The Hayward Area Recreation and Park District, if HARD is to maintain the park, must be willing to maintain a new park, and the City is restricted in its ability to require the provision of a park based on the State Quimby Act, which states that "only the payment of fees may be required in subdivisions containing 50 parcels or less." The group open space area, which is provided in the development, will provide opportunity for group gathering and play, and park in-lieu fees will help to fund improvements to existing or new public parks in the neighborhood.

Parking - The final key item of discussion related to the provision of parking on the site. Based on the City's Municipal Code, the revised project fully complies with all parking requirements and has a surplus of five off-street parking spaces. This is based on the inclusion of additional parking spaces on-site and does not take into account the additional eleven spaces that would be created along Huntwood Avenue. The key focus of staff's review has been if this project complies with the City's Municipal Code, and if this project, as a Planned Development, is a better alternative than what is permitted by right by the current zoning. Staff has determined that this project meets required off-street parking obligations and that it is clearly a superior alternative than what would otherwise be permitted without requiring a

rezoning to a Planned Development.

The existing zoning is RM: Medium Density Residential for the majority of the site, which would permit a rental apartment project with a higher number of units and less off-street parking spaces per unit. This application proposes a lower density and more parking, with the primary purpose of the application being the desire to have a different product type, small-lot single-family homes, than is allowed by the current zoning.

Environmental Review - Staff has prepared an Initial Study, Mitigated Negative Declaration (MND), Mitigation Monitoring and Reporting Program which indicate there will be no significant environmental impacts resulting from the project, provided the mitigation measures are incorporated, including implementing tree protection measures and tree replacement. The environmental document was made available for public review from October 19, 2015 through November 9, 2015. No comments regarding the draft environmental documents have been received.

ECONOMIC IMPACT

This infill project would further contribute to the character and revitalization of the Jackson Triangle neighborhood by allowing forty-two additional ownership homes at a density and massing consistent with surrounding development and the General Plan Land Use designation. The improvement of this site from an undeveloped agricultural parcel to a moderately dense residential development will generate higher land values both by increasing investment in the area and by creating a developed buffer between existing multi-family residential developments and the industrial parcels to the north of this site.

FISCAL IMPACT

Staff has conducted a general fiscal impact analysis of the project. Based on the estimated sale price of \$575,000 for the attached units and \$625,000 for the detached units, it is estimated that the project will generate \$51,546 of new revenue annually; however, the project is projected to cost the City \$51,413 annually, for a net annual contribution to the General Fund of \$133, which is essentially a neutral fiscal impact. Also, this preliminary analysis does not include any revenue from a community facilities district related to public services, which is required to be formed as a condition of approval.

SUSTAINABILITY FEATURES

Energy: Electricity/natural gas/other fossil fuels.

The project includes installation of solar panels on all units as well as installation of electric vehicle charging systems in the garages of all units.

Water: Efficiency and conservation.

The project meets City code requirements with respect to water efficient landscaping, as well as CalGreen standards for water use.

Air: Air emissions of pollutants.

The project meets City and State code requirements with respect to emissions. As a housing project, pollution generation is negligible.

Solid Waste: Waste reduction and diversion.

The project will comply with City standards for the recycling of construction waste.

Transportation: Consistent with the City's Complete Streets Policy.

The project does not involve creation of new public rights-of-way, though the construction of sidewalks along Huntwood Avenue will make this street more walkable.

PUBLIC CONTACT

Initial notices of the proposed project were sent on August 3, 2015 to property owners within a 300-foot radius as well as interested parties in the neighborhood. One comment was received from the owner of a property on Diadon Road, who indicated that he would not support the project if it generated more traffic on Diadon Road. Similar comments were shared by other nearby property owners at the previously referenced community meeting that was held on July 9, 2015. To respond to these comments, the project was initially redesigned to have an emergency only access gate to Fagundes Street, which will limit the trips to the site along Diadon Road. Based on comments from the City Council at the December 15, 2015 hearing, this access was revised to be open for pedestrians and bicyclists while still closed for vehicles, which should limit potential vehicular impacts to Diadon Road while promoting connectivity for pedestrians and bicyclists.

Notices of this public hearing and availability of a Draft Mitigated Negative Declaration were sent to all property owners (over 400) within a 300-foot radius of the project on May 13, 2016. In addition, notice of this public hearing was published in *The Daily Review* on May 13, 2016. No comments have been received as of the writing of this staff report. Any additional comments that are received before the City Council meeting will be forwarded to the Council for consideration.

NEXT STEPS

Should the Council approve the project, the applicant will work with staff to comply with the conditions of approval to allow submittal and processing of a Precise Development Plan, approval of a Final Map and Improvement Plans, execution of the mitigations measures identified in the Mitigated Negative Declaration, issuance of building permits, and construction of the project.

Prepared by: Michael Christensen, Assistant Planner

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Fran David, City Manager

Attachments:

Attachment I
Attachment II
Attachment III
Attachment IV
Attachment V

Draft Resolution
Draft Ordinance
Area and Zoning Map
Project Plans
April 28, 2016 Planning Commission Meeting
Minutes