



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: PH 21-091, **Version:** 1

DATE: December 14, 2021

TO: Mayor and City Council

FROM: Assistant City Manager/Development Services Director

SUBJECT

Appeal of Planning Commission Denial to Develop a New Approximately 116,844 Square Foot Industrial Building for U-Haul at 4150 Point Eden Way (Assessor Parcel Number 461-0085-020-02) Requiring Approval of Site Plan Review and Historic Resources Demolition Permit Application No. 201901039 Including Certification of an Environmental Impact Report, Adoption of a Statement of Overriding Considerations, and Approval of a Mitigation, Monitoring and Reporting Program. Jerry Owen on Behalf of U-Haul; Amerco Real Estate Co. (Applicant/Property Owner)

RECOMMENDATION

That the Council overturns the Planning Commission denial and approves Site Plan Review and Historic Resources Demolition Permit Application No. 201901039, subject to the Findings and Conditions of Approval outlined in the attached Resolution (Attachment II); and reviews and certifies the Draft and Final Environmental Impact Report (Attachments IV and V, respectively), and adopts the Mitigation Monitoring and Reporting Program (Attachment VI), and findings related to the Statement of Overriding Considerations (Attachment II), prepared pursuant to the California Environmental Quality Act (CEQA).

SUMMARY

The Council is being asked to overturn a Planning Commission denial of a proposed project that would result in the construction of a new industrial building to house U-Haul regional corporate offices and a warehouse on an underutilized site located at the western edge along State Route 92. If approved, the proposed industrial building would be approximately 116,844 square feet in size and reach approximately 50 feet in height to finished roof. The project would require demolition of dilapidated historic structures previously affiliated with the Oliver Brothers Salt Company. Off-site improvements include relocation of the Bay Trail from the current alignment along the eastern property line between two industrially zoned properties to run along the project site's western property line to take advantage of the natural setting and views to the Bay as well as establishment of an approximately 32-acre preserve on the western portion of the project site.

The Planning Commission denied the project on the grounds that the proposed project does not align with Council goals related to growing the high-tech, advanced manufacturing sector in the City's Industrial Districts; that the proposed regional warehouse use would not generate enough quality jobs or

sales taxes to off-set the environmental and other impacts related to the project; and, that the site, which is projected to be inundated due to sea level rise, is not appropriate for the development. The applicant's appeal did not provide substantive changes to the proposed development. Rather, it stated that the warehousing and corporate regional offices are a permitted use that would provide between 35-75 jobs when fully operational and that the U-Haul pod storage would generate sales tax revenues among other reasons detailed further in this staff report.

In addition to overturning the Planning Commission denial, the City Council is being asked to review and certify an Environmental Impact Report (EIR) that was prepared for the project. The DEIR concluded that all impacts could be mitigated to a level of less than significant as detailed in the Mitigation Monitoring and Reporting Program (MMRP), except for Cultural Resources, which could not be mitigated because the project requires demolition of a designated historic resource. A mitigation measure requiring archival documentation of the extant structures and installation of interpretive signage was incorporated into the MMRP and as a condition of approval for the project, but the impact will remain significant and unavoidable. Therefore, the Council must also adopt a Statement of Overriding Considerations to approve the proposed project.

ATTACHMENTS

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| Attachment I | Staff Report |
| Attachment II | Resolution |
| Attachment III | Project Plans |
| Attachment IV | Draft EIR. Appendices can be found on the City's website at https://www.hayward-ca.gov/your-government/special-projects/under- |
| Attachment V | Final EIR |
| Attachment VI | Mitigation Monitoring and Reporting Program |
| Attachment VII | July 8, 2021 Planning Commission Meeting Minutes |
| Attachment VIII | CEQA Correspondence from Lozeau Drury on Behalf of S. Smallwood |