



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

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DATE: October 27, 2015

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Proposed Subdivision and Construction of Two Single Family Detached Homes on a 0.24 acre site located at the northeast corner of Madsen Street and Martin Luther King Drive, Requiring Adoption of a Resolution Approving a Modification of the Precise Development Plan for the Cannery Area Development and Vesting Tentative Parcel Map 10373; Mark Tiernan for SCS Development (Applicant and Owner)

RECOMMENDATION

That Council adopts the attached resolution approving the project, including approval of the modification to the Precise Development Plan and Vesting Tentative Parcel Map to allow construction of two single-family detached homes, subject to the findings and conditions of approval included in the attached resolution.

BACKGROUND

The Cannery Area Design Plan was adopted in March of 2001, which helped provide a vision for the redevelopment of this former Hunts Cannery property. The Cannery Area development received its original approvals in [December, 2005 <http://www.hayward-ca.gov/CITY-GOVERNMENT/CITY-COUNCIL-MEETINGS/2005/cca121305.htm>](http://www.hayward-ca.gov/CITY-GOVERNMENT/CITY-COUNCIL-MEETINGS/2005/cca121305.htm). The original development approval included 612 multi-family units, 16 duet units and a commercial site on four tracts. Between 2008 and 2010, staff approved minor modification to the number and type of residential units at the Cannery, resulting in a total of 598 multi-family units, 16 duet units and a commercial site on four tracts. All of the duet units and most of the multi-family units have been constructed; however, the commercial site has remained vacant. Also, the former Libitzky site has been entitled, the former warehouse has been removed, and housing units will be under construction in the near future. Once that site is developed, the core Cannery area will be built out.

Earlier this year, staff was approached by the property owner of the commercial site, SCS Development, inquiring about the possibility of developing that site with two new single family homes in lieu of the commercial given the site constraints and market viability.

Planning Commission Review - The Planning Commission reviewed this item at their September 17, 2015 meeting. Some neighbors of the site did attend and spoke before the Commission with their concerns. Some were concerned about the additional traffic and parking issues that are already being experienced

in the neighborhood. Others expressed a desire for the two residences in lieu of the retail, given the potential negative impact of the retail on the surrounding neighborhood. Some Commissioners were not in favor of this modification given the desire to see the vision of the original Cannery Area Design Plan carried out. Ultimately, the Planning Commission recommended that the City Council approve the modification to the Precise Plan with a 4:2:1 vote, with Commissioner Faria absent. Draft meeting minutes are included as Attachment IV of this report.

DISCUSSION

Project Description - The project requires approval of a modification to the Precise Development Plan, which envisioned the site to be developed with a commercial retail building; and Vesting Tentative Parcel Map 10373 application, in order to subdivide the parcel into two lots and construct a single-family detached home on each lot with a common driveway (Attachment II). The two proposed homes will be constructed on 4,791 and a 5,662 square foot lots, respectively, which are larger than the lots on which the adjacent sixteen duet units are constructed, which range in size from 3,400 to 3,800 square feet.

Building Elevations and Floor Plans - The homes proposed are each 2,669 square feet in size, consisting of five bedrooms, three bathrooms and a loft area on the third floor, with two one-car garages for each home served by a common driveway that will provide two covered parking spaces for each unit. Each home maintains a twenty-foot rear yard setback that will provide private yard areas behind fencing. The architectural style is similar to the existing duet units and incorporates similar materials, including composition shingle roofs, stucco and lap siding finishes, and wood trimmed windows.

Precise Development Plan Major Modification - The subject property was rezoned to Planned Development in 2005 with the approval of the various entitlements for the Cannery Area development in accordance with the vision that was included as part of the March 2001 Cannery Area Design Plan. In March of 2007, staff approved the Precise Plan for this portion of the Cannery development, which included an approximately 3,000 square-foot retail structure proposed to accommodate up to three future tenants and seven parking spaces. Since the approval of the Precise Plan, the remaining parcels in the development have been built out with residential units. This site remains the final undeveloped parcel. The parcel is located at the corner of Madsen Street and Martin Luther King Drive and has extremely limited visibility from Winton Avenue. In addition, the vehicular circulation to and from the site is challenging. Given the request to modify the use on the site from commercial retail to residential, staff considers this a major modification to the Precise Plan, necessitating approval by the City Council based on a recommendation from the Planning Commission.

In order to support the major PD modification and parcel map, the City Council must make the findings below. The Planning Commission and staff recommend that Council support the proposal, with reasons to support such findings incorporated into the attached resolution.

- 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) **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.

- d) Any latitude or exceptions 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.**
- e) The proposed subdivision is not in conflict with the General Plan and applicable specific plans and neighborhood plans**
- f) The proposed subdivision meets the requirements of the City Zoning Ordinance**
- g) No approval of variances or other exceptions are required for the approval of the subdivision.**

Environmental Review - This modification to the Precise Development Plan is considered categorically exempt pursuant to Sections 15315 and 15332 of the California Environmental Quality Act (CEQA) related to minor land divisions and in-fill development projects since the project involves the division of property into four or fewer parcels in an urbanized area and involves the development of two residential units within the city limits on a site that has no value for habitat for endangered or threatened species, can be adequately served by all required utilities and services and will not result in any significant effects related to traffic, noise, air quality or water quality.

ECONOMIC IMPACT

Although a limited number of jobs associated with a small retail site would not occur, the infill project would further contribute to the character of Cannery neighborhood by allowing two additional ownership homes at a density and massing consistent with the remaining developed Cannery area and well within the previously entitled number of units. A quick analysis based on discussion with local commercial brokers also revealed the difficulty in marketing this particular location for retail uses (Attachment III).

FISCAL IMPACT

Staff has conducted a rough fiscal impact analysis of the projects, based on the current sales price of the units, which estimates that the project will generate \$4,936 of new revenue annually; however, the project is projected to cost the City \$4,538, for a net annual gain to the General Fund of \$398 (\$199 per unit), which is essentially a neutral fiscal impact. In addition, approximately \$23,906 in new in-lieu park fee funds from the project will be paid and contribute toward future public parkland acquisition and/or park maintenance for parks in the area.

PUBLIC CONTACT

In May of 2015, initial notice of the application was sent to all property owners within 300 feet of the project site, all of the homeowners associations (HOA's) that comprise the existing Cannery Developments, and the Burbank Neighborhood Task Force. Some concerns were expressed regarding traffic impacts associated with two additional residential units. According to staff in the Public Works

Engineering and Transportation Department, the addition of two single-family units does not trigger the need for a traffic study, since impacts from additional vehicle trips from two residential units is not considered significant. It is also very likely that the total daily trips (just under five round trips per home per day) would be less with two residential units that would be generated from a retail development comprised of three tenants.

In addition, the total build out for the project is still below the total number originally entitled for this development and those impacts were analyzed when the project was first entitled. The applicant did, however, reach out to the concerned parties as well as the HOA's to try and address any issues they might have with the proposal. Notice of this City Council hearing was also posted in *The Daily Review* newspaper on October 10, 2015 and sent on October 9, 2015 to all property owners, residents and business owners within 300 feet of the subject property. No responses were received as of the writing of this report.

NEXT STEPS

Provided the City Council adopts the resolution approving the major modification, the applicant will work on submittal of the parcel map and improvements plans for the two new homes followed by building permit for the construction.

Prepared by: Sara Buizer, AICP, Planning Manager

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Fran David, City Manager

Attachments:

Attachment I	Resolution
Attachment II	Project Plans
Attachment III	Retail Viability letter from Lee and Associates
Attachment IV	Planning Commission meeting draft minutes