



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
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## Cover Memo

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**DATE:** May 3, 2016

**TO:** Mayor and City Council

**FROM:** Development Services Director

### **SUBJECT**

Recommendation to approve a proposed subdivision and construction of forty-two Townhomes at 25891 and 25915 Dollar Street: Donald Babbitt/Warmington Residential (Applicant); Lakhbir Singh, Dubba, LLC (Owner)

### **RECOMMENDATION**

That the City Council:

1. Adopts the attached resolution (Attachment I):
  - a. Finding the project categorically exempt from the California Environmental Quality Act, pursuant to Section 15332: In-Fill Development Projects;
  - b. Approving the Site Plan Review, Warrants for parking and roof pitch, and Vesting Tentative Tract Map 8130, subject to the attached Findings and recommended Conditions of Approval.
2. Introduces the attached ordinance (Attachment II), approving the text amendment to the Mission Boulevard Specific Plan and Form-Based Code to amend the Thoroughfare Plan and text removing a thoroughfare that traverses the site.

### **SUMMARY**

The project is supported by staff because the proposed density, 18.2 dwelling units per net acre, is consistent with the High Density Residential General Plan designation, which allows a density between 17.5 and 35 dwelling units per net acre. In addition, the forty-two, three-story townhome style condominiums would provide needed housing, would be compatible with surrounding residential properties to the south and west, while replacing industrial and auto uses. In addition, the design of the project is in compliance with the City's Design Guidelines and the Hayward Form-Based Code, and provides sustainability features as described toward the end of this report. The additional on-site parking will accommodate visitors while not placing additional burden on surrounding street parking capacity, thereby allowing for continued street parking similar to what exists. Furthermore, deletion of the thoroughfare would meet the intent of the Mission Boulevard Corridor Specific Plan/Form-Based Code by not creating a dead end street that, if built, would not be interconnected with surrounding streets. Lastly, the thoroughfare, if developed, would require street maintenance, and police surveillance for an area that would not have great visibility.

## BACKGROUND

Existing Conditions: The site is surrounded by a mix of residential, automobile related, light industrial and commercial uses. Adjacent to the project site to the south is the KB Home 38-unit townhome-style condominium development under construction. Uses to the north include auto storage, auto repair, auto-related uses, and, across Dixon Street, a church at the former Chevrolet auto dealership. Commercial uses include a thrift store, Eco Thrift, and a CVS pharmacy store, both located across Dollar Street. To the west are BART and Union Pacific tracks, and west of the tracks are properties in a Medium Density Residential District (RM) developed with four, four-unit apartment buildings and a single family home, and a Single Family Residential District (RS) developed with Harder Elementary School and a neighborhood of single-family homes.

Public Meetings and Outreach: An application was filed on September 24, 2015 and the project was deemed incomplete the same day because the vesting tentative tract map was missing basic information. A revised vesting tract map (VTTM) was submitted on September 30, 2015 and a preliminary meeting was scheduled for October 22, 2015. The applicant requested that the incomplete project letter include public comments and as many staff comments as possible. The project was deemed incomplete on October 28, 2015. The applicant requested that staff wait to send the list of items required for the project to be deemed complete. Therefore, the comprehensive incomplete letter was sent on November 4, 2015. Revised plans were submitted on December 1, 2015 and the project was deemed complete on January 13, 2016.

On October 10, 2015, an Official Notice of Receipt of project application and a preliminary meeting was sent to property owners, businesses, and tenants within a 300-foot radius of the proposed project site. On October 22, 2015, a preliminary map/project meeting was held and was attended by staff, the applicant, the project architect and Todd Arthur Bridges representing the Bridges Family Trust which owns a property located to the north at 25711 Dollar Street. Mr. Bridge indicated support of the project.

Planning Commission Meeting: On March 11, 2016, a Notice of the Public Hearing for the Planning Commission meeting was mailed to every property owner and occupant within 300 feet of the subject site, as noted on the latest assessor's records. As of the writing of this report, staff had not received additional comments. On March 24, 2016, the [Planning Commission](https://hayward.legistar.com/LegislationDetail.aspx?ID=2636477&GUID=0FEEAA00-A570-4909-ACEA-8687FF598BC6) <<https://hayward.legistar.com/LegislationDetail.aspx?ID=2636477&GUID=0FEEAA00-A570-4909-ACEA-8687FF598BC6>> held a public hearing and voted 6:0, with one Commissioner absent, to recommend approval of the project. No members of the public spoke during the public hearing. The Planning Commission was impressed with the amount of open space, the walkability and the sustainability features of the project. They supported the approval of the two warrants for roof pitch and parking because adverse impacts would not result with such approvals. Similar warrants were approved for the adjacent KB Home development. The draft meeting minutes are included as Attachment IV.

## DISCUSSION AND STAFF ANALYSIS

The proposed project requires several discretionary approvals, including for a Vesting Tentative Tract Map to create eight parcels on a 2.31 acre site allow for construction of forty-two townhome-style

condominiums, Site Plan Review, a Warrant for providing eleven parking spaces above the maximum eighty-four spaces allowed, a Warrant to allow roofs to be flatter than the minimum required 5:12 roof pitch, and a Code Amendment changing the Mission Boulevard Corridor Specific Plan and Form-Based Code Thoroughfare Plan by deleting a short, fifty-six-foot-wide street right-of-way and bicycle route that would lead westward from Dollar Street along the northern boundary of the site and terminate at the Union Pacific/BART tracks. Key issues discussed by the Planning Commission include open space and sustainability features (see later discussion regarding sustainability features).

Open Space - Projects within the MB-T4-2 General Urban Zone require that at least fifteen percent of building lot areas (7,000 square feet for this project) be designated as common open space. The project provides open space totaling 9,030 square feet through two common open space areas and private open space in individual yards and balconies. Two common open space areas, totaling 7,200 square feet, would be accessible through interior walkways and improved with an outdoor kitchen/barbeque, outdoor furniture, and outdoor furniture along the paseo and fitness stations along the perimeter interior path. The Planning Commission took note of the amount of open space and the walkability of the project.

Vehicle and Bicycle Parking - The Code allows a *maximum* of two off-street vehicle parking spaces per unit. The project is designed with a total of 95 parking spaces. The two-car garages account for eighty-four spaces. The developer proposes eleven uncovered visitor parking spaces, which requires the approval of a Warrant (exception). The Planning Commission supported the Warrant request because of the location of the project, which is 1.6 miles from the South Hayward BART station and 1.9 miles to the Hayward BART station, generally considered distances that would not typically encourage walking to transit.

Each two-car garage will be equipped with two ceiling bicycle racks for long term bike storage. Six short-term visitor bicycle parking spaces are required and will be accommodated by three bike racks in a common area adjacent to the common mailboxes. The Planning Commission commended the developer for their efforts for increasing bicycle usability.

Specific Plan and Form-Based Code Amendment - The Thoroughfare Plan in the Mission Boulevard Corridor Specific Plan/Form-Based Code depicts a thoroughfare (street) and bicycle route passing through a 56-foot wide northern portion of the site from Dollar Street westward and terminating at the Union Pacific/BART tracks. An amendment is required to be approved to modify the Thoroughfare Plan to delete this thoroughfare and bike route segment. The intent of the Thoroughfare Plan is take advantage of infill development to accommodate alternate street patterns by allowing shorter block lengths, interconnected streets, alleys and avoiding cul-de-sacs for more direct access for automobile traffic and pedestrian traffic to public transit, schools, parks, and stores. The thoroughfare to be deleted, if developed, would not allow direct automobile or pedestrian access because the thoroughfare would terminate into a sound wall. Removing this thoroughfare would meet the intent of the Mission Boulevard Corridor Specific Plan/Form-Based Code, and would not disrupt the short block pattern. The development consists of walkable "blocks" and allows direct pedestrian access to public transit. The resulting dead-end street would require City street maintenance and would create an area not visible from Dollar Street, which may attract undesirable activities, such as dumping. The Planning Commission supports the removal of the thoroughfare because a bicycle route is accessible at the Dollar Street frontage. In addition, the deletion of the thoroughfare allows for additional housing in a walkable development.

Noise - An acoustical analysis was completed to ensure that indoor or outdoor noise levels of each unit do not exceed the standards contained in Table HAZ-1 of the City of Hayward General Plan 2040. Mitigation measures of the Mission Boulevard Corridor Specific Plan and the acoustical analysis are included in the recommended conditions of approval. These include sound attenuation features that are to be in accordance with the consultant's and/or architect's recommendations and be confirmed via actual readings prior to project finalization and/or Certificate of Occupancy on units. Included is an eight-foot sound wall adjacent to the BART tracks which will mitigate outdoor noise levels in open space areas to less than 65 Ldn, compliant with the City's noise standards for outdoor space.

Environmental Review- Staff has determined that the project is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15332: In-Fill Development Projects. The project meets the conditions as described in the exemption section: It is consistent with the General Plan Designation of Sustainable Mixed Use and General Plan policies. The project occurs within the City limits and the project site of 2.3 acres is no more than five acres and is substantially surrounded by urban areas. The project site has no value as a habitat for endangered, rare or threatened species since the site is developed with warehouses and is paved. Approval of the project would not result in any significant effects related to traffic, noise, air quality or water quality since the site is adequately served by all required utilities and public services. Geotechnical and noise impact analyses were performed that included recommendations, which are included as recommended conditions of approval (Attachment I.a).

## **ECONOMIC IMPACT**

The introduction of new residents will result in cascading fiscal benefits in dollars spent in the community that will be utilized by receiving merchants.

The project is an infill development that would replace a parking lot and a 5,184-square-foot building used for automobile repair and a wholesale ice cream distributor with forty-two new ownership housing units providing additional housing stock in the Bay Area's highly impacted housing market. Hayward Wholesale Ice Cream has between four and ten employees and ABC Auto Repair is in a month-to-month lease and has three employees.

Both businesses plan to relocate and are working with a broker. Alternative locations have not been found at the time of the writing of this report. The timing of relocation is unknown and it will take time for final map approval and for the project applicant to obtain construction permits, should the project be approved. Economic Development staff may assist with site selection services, if requested.

## **FISCAL IMPACT**

Annual revenues and annual costs are based on the assumed unit price of \$660,000 for Floor Plan 3, which is 1,955 square feet in area. According to a rough estimate based on the City of Hayward Fiscal Impact Model prepared by Applied Development Economics, Inc., the project would generate \$305,270 of revenue annually (including property tax, sales tax, utility tax, franchise fees, among others); and cost approximately \$300,548 annually related to City services, resulting in a net positive impact of \$4,722 per year (\$112 per unit).

## SUSTAINABILITY FEATURES

As a reminder, this new section of staff reports only documents those sustainability items that are above and beyond current code requirements. The project is planned to achieve a GreenPoint Rated Silver rating with 103 points where 50 points are required for GreenPoint Rated Certification. GreenPoint Rating is based on five categories: Energy Efficiency, Water Conservation, Indoor Air Quality, Resource Conservation, and Community. These categories are similar to four of the categories listed below.

Energy - *Does the proposal include features that will minimize the use of electricity, natural gas, and other fossil fuels?* All appliances and bathroom fans will be Energy Star rated and the project will meet the State's strict Energy Code standards, which includes making all rooftops solar ready.

Water - *Does the proposal include features that will minimize the use of water?* Water efficient plumbing and fixtures will be used. All landscaped areas will have *Bay Friendly* landscaping. Bio-retention areas collect run-off which is filtered back into the ground water ecosystem.

Air - *Does the proposal include features that will minimize emission of pollutants into the air?* Two electric vehicle charging (EVC) stations will be provided for visitors with one EVC adjacent to a handicap accessible space. The project will also meet the Energy Code standards, which requires that garages be electric vehicle charger ready.

Solid Waste - *Does the proposal include features that will minimize material sent to a landfill?* Sixty-five percent of mixed construction material will be diverted from landfills. Fly Ash will be incorporated in the concrete. All residents will have convenient access to trash, recycling and organics carts with detailed signage to help ensure proper sorting of materials.

Transportation - *Does the project provide for complete streets that balance the diverse needs of users of the public right-of-way?* Each unit will have space in the garage to store two bicycles. Visitor bicycle parking is provided. The project will be developed with pedestrian paths connecting to public sidewalks. A Transit Information Kiosk, containing public transit schedules and contact information for shuttle services including senior and medical shuttle service, will be installed in the common area adjacent to the group mail and parcel boxes. The transit information will be maintained by the HOA as required by the recommended conditions of approval. There are two AC Transit bus stops at Harder Road and Mission Boulevard which is within 0.2 miles walking distance (three minute walk) from the development. Service is available daily and night service is also available. South Hayward BART and Hayward BART transit center can be accessed by this AC Transit bus routes. The Planning Commission was concerned that the pilot night service program might not continue. According to an AC Transit Planner, the program is now permanent.

## PUBLIC NOTICE

The Planning Commission conducted a public hearing on March 24, 2016; however, no one from the public testified at the hearing.

On April 22, 2016, notices of this public hearing were sent to all residents and property owners within a

300-foot radius of the project site. In addition, notice of this public hearing was published in *The Daily Review* on April 22, 2016. At the time of this staff report finalization, no responses to the hearing notice had been received.

## **NEXT STEPS**

Based on public testimony, information presented in this staff report, and other information received by Council members, if the Council approves the proposed project as recommended by the Planning Commission and based on required findings being made, the Ordinance approving the amendments to the Mission Boulevard Specific Plan and Form-Based Code will return to the City Council for a second reading. The Final Map is subject to City Council review and approval, after which construction permit applications will be processed and permits issued to ultimately allow for construction of the project.

*Prepared by:* Arlynn J. Camire, AICP, Associate Planner

*Reviewed by:* Sara Buizer, AICP, Planning Manager

*Recommended by:* David Rizk, AICP, Development Services Director

Approved by:



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Fran David, City Manager

## **Attachments:**

Attachment I and I.a	Draft Resolution and Conditions of Approval
Attachment I.a, Exhibit A	Dollar Place Plans and Vesting Tentative Tract Map No. 8301
Attachment II	Draft Ordinance
Attachment III	Area and Zoning Map
Attachment IV	Draft Planning Commission Meeting Minutes, March 24, 2016