



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

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DATE: April 5, 2015

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT

Proposed Subdivision and Construction of Fifty Townhome-Style Condominiums and Related Site Improvements at 31 West Jackson Street - east of Amador Street, Requiring Introduction of an Ordinance and Adoption of a Resolution Related to a Zone Change from Planned Development (PD) to High Density Residential (RH), Zoning Designation of a Vacated Right-of-Way to High Density Residential (RH), Approval of a Variance allowing a Fifteen Foot Front Yard Set Back and Approval of a Vesting Tentative Map (Tract 8240) for Harvest Park (Application No. 201400466). (Applicant: Blake Felson/Felson Companies, Inc., Owners: Felson Partners, LP, and Diamond Crossing Associates LP)

RECOMMENDATION

That the City Council, related to allowing construction of fifty townhome-style condominiums,:

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 Variance for a Fifteen-foot Front Yard Setback and Vesting Tentative Tract Map 8240 (Harvest Park development), subject to the attached Findings and recommended Conditions of Approval.
2. Introduces the attached ordinance (Attachment II), approving the zone change to High Density Residential and designating an 11,326-square-foot vacated portion of West Jackson Street right-of-way as High Density Residential (RH).

SUMMARY

The proposed project requires several discretionary approvals, including a zone change to High Density Residential, Vesting Tentative Tract Map allowing fourteen parcels for the construction of fifty townhome-style condominiums, and a variance allowing a fifteen-foot front yard setback where a minimum twenty-foot front yard setback is required. The Planning Commission recommends that the Council approve the project.

The proposed development would merge and rezone three parcels zoned High Density Residential District (RH) and Planned Development District (PD) and a vacated excess portion of West Jackson Street frontage road (Diadon Drive) right-of-way that will be purchased from the City of Hayward upon City Council approval of the vesting tentative tract map (see plans, Attachment I.a, Exhibit A).

The project is supported by staff because the proposed density, 19.23 dwelling units per net acre, is consistent with the High Density Residential General Plan designation, which allows a density between 17.4 and 34.8 dwelling units per net acre. In addition, the fifty, three-story townhome style condominiums provide needed housing and are compatible with surrounding properties and the project is in compliance with the City's Design Guidelines.

BACKGROUND

Existing Conditions: The proposed project consists of four parcels totaling 2.6 acres. The applicant owns three parcels, two are zoned High Density Residential (RH) District and one zoned in 1989 to Planned Development (PD) District, and a fourth parcel that is an 11,326 square-foot vacated portion of West Jackson Street. The project is adjacent to the Diamond Crossing gated condominium community.

Purchase and Sale Agreement: On January 27, 2015, the City Council adopted Resolution 15-016, approving the vacation of an 11,326-square-foot portion of the public right-of-way on Diadon Drive, the West Jackson Street frontage road. The effective date of the vacation will be the date the City Council approves the subject vesting tentative tract map. Following this approval, should it occur, the applicant will purchase the vacated right-of-way that is included as part of the vesting tentative tract map.

Public Meetings and Outreach: An application was filed on December 10, 2014 and the project was deemed incomplete on December 18 because the tentative tract map was missing basic information. A revised vesting tract map (VTTM) was submitted on January 26, 2015.

On February 17, 2015, following staff review of the VTTM, an Official Notice of Receipt of the project application was sent to property owners, businesses, and tenants within a 300-foot radius of the proposed project site. Staff received three inquiries from residents in the adjacent Diamond Crossing development.

Of the three residents who responded, one stated that she and her husband support the project because they are looking forward to quieter nights without the sound of trucks loading and unloading at the existing warehouse. In addition, one resident expressed a concern about increased traffic, but in general supported the project. Staff explained that it had been determined by the City Transportation Manager that a new traffic study was not necessary because a traffic study prepared in 2013 concluded that the project would generate a low volume of traffic and would have minimal effects on the surrounding roadway network/intersections. The third resident was concerned that the setbacks to property lines shared with the Diamond Crossing development, where she is a tenant, would allow buildings to be closer to her bedroom, thereby disrupting her privacy. Staff explained the variance is for the front yard setback of the buildings fronting on West Jackson Street, not the rear- or side yard setbacks of buildings adjacent to Diamond Crossing homes. The rear and side setbacks meet or exceed minimum standards.

On November 20, 2015, a Notice of Preliminary Meeting with the applicant was sent to every property owner and occupant within 300 feet of the subject site, as noted on the latest assessor's records. Notice was also provided to Caltrans, Hayward Unified School District, and Alameda County Flood Control and Water Conservation District among other agencies.

The preliminary meeting was held on December 10, 2015 that was attended by staff and the developer, the project engineer, and a Diamond Crossing Resident who expressed support of the project.

On February 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. Notice was also provided to Caltrans. On February 25, 2016 <<https://hayward.legistar.com/DepartmentDetail.aspx?ID=30859&GUID=61527508-1071-493D-93C4-0CCF21DD457A>>, the [Planning Commission](https://hayward.legistar.com/DepartmentDetail.aspx?ID=30859&GUID=61527508-1071-493D-93C4-0CCF21DD457A&Search=%22) <<https://hayward.legistar.com/DepartmentDetail.aspx?ID=30859&GUID=61527508-1071-493D-93C4-0CCF21DD457A&Search=%22>> 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.

DISCUSSION AND STAFF ANALYSIS

Key issues of adjacent residents discussed by the Planning Commission include the proximity to the railroad tracks, front yard setback variance, open space, and green features.

Noise and Vibration - The Planning Commission was concerned with the effects of noise and vibration from the adjacent railroad tracts. According to the acoustical analysis completed by Veneklasen Associates (Attachment VI), approximately five to ten trains pass by the site daily. There are no at-grade crossings; therefore, the trains are not to sound the horn unless there is a pedestrian near the tracks.

It is recommended that a sound wall be erected adjacent to the tracts to ensure that indoor or outdoor noise levels of each unit will not exceed the standards contained in Table HAZ-1 of the City of Hayward General Plan. 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. The project includes a sound wall adjacent to the railroad tracks that will mitigate outdoor noise levels in open space areas to less than 65 Ldn, compliant with the City's noise standards for outdoor space. In addition, the project has been designed to mitigate noise by siting buildings perpendicular to the tracks thereby decreasing the units exposure to potential noise. Furthermore, the structural design will address the effects of vibration. The developer is required to disclose the presence of sound level and vibration due to train operations (Attachment VI: Acoustical Analysis).

Traffic - Diadon Drive (West Jackson frontage road) is a relatively low volume roadway under existing conditions and the project is not expected to add a significant number of trips (approximately twenty-six a.m. peak hour trips and thirty-one p.m. peak hour trips). The intersection of West Jackson and Diadon Drive is striped with "Keep Clear" markings and Diadon Drive is controlled with a stop sign. Based on the estimated project trips, there would be no need for significant operational improvements to that intersection. Therefore, the Diamond Crossing residents who use the West Jackson Street entrance will not be impacted. As a condition of approval, the installation of street lights on Diadon Drive are required and will illuminate the roadway and provide better pedestrian, bicycle and vehicular safety at night.

In 2013, following a pre-application meeting, the developer submitted a traffic study for staff review. The City's Public Works Transportation Division reviewed and approved the traffic study. While internal site/building locations may have changed slightly, the overall square footage, estimated trip generation and roadway network layout and site access have not. Therefore, the traffic study is valid for the proposed project as designed. There were no significant impacts found and the project had minimal effects on the surrounding roadway network/intersections.

Front Yard Setback Variance - The Planning Commission discussed the variance allowing a fifteen-foot front yard setback where a twenty-foot front yard setback is required. The variance would allow the units to be built on the vacated portion of right-of-way and be built fifteen feet from a six-foot sound wall that will be adjacent to a fifty-to sixty- foot wide landscaped embankment and approximately eighteen feet above the West Jackson Street roadway. The proposed grade separation will provide adequate noise mitigation, light, air, and privacy. In addition, the developer has agreed to landscape the entire 25,122-square-foot embankment and median. The Planning Commission was satisfied that the landscape embankment and median will provide an adequate buffer between the homes and West Jackson Street.

Open Space - The High Density Residential Zoning District requires a minimum of 350 square feet of usable open space per dwelling unit, with a minimum of 100 square feet of group open space per dwelling unit. Two centrally located group open spaces are interconnected by a decorative paving sidewalk system allowing residents to walk around the entire site while avoiding drive aisles adjacent to garages. Both these group open spaces exceed the minimum dimension requirements. The primary open space is at the center of the site (Parcel C at 5,231 square feet), is bordered by three of the eight buildings (Buildings B, C and F), and is visible from the main drive aisle. The large open space adjacent to Building A (Parcel D at 4,206 square feet), to the rear of the site, is adjacent to the emergency vehicle access, not a common drive aisle, creating a safer and more suitable play space for small children. Both these open space areas will have picnic tables and bicycle racks.

In addition, there is a generous paseo (Parcel B at 3,296 square feet), between Buildings F and G, that is suitable for gatherings and community interaction. Total proposed group open space is 13,363 square feet, greater than the minimum 5,000 square feet required. Private open space averages 158 square feet per unit in the form of second floor decks, meeting the minimum dimension requirements, for a total of 7,896 square feet.

Therefore, the total 21, 259 square feet of open space proposed exceeds the minimum 17,500 square feet of open space required for this project. The Planning Commission was satisfied with the amount and location of the open space.

Environmental Review-Staff reviewed the project and has determined that the project is categorically exempt from the California Environmental Quality Act, 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 High Density Residential and General Plan policies; the project occurs within the City limits and the project site of 2.6 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 noise, air quality or water quality since the site is adequately served by all required utilities and public services. In 2013, a traffic study was completed that concluded that project is not expected to add a significant number of trips (approximately twenty-six a.m. peak hour trips and thirty-one p.m. peak hour trips).

ECONOMIC IMPACT

The project is an infill development which will replace two warehouses with fifty new ownership housing

units providing additional housing stock in the Bay Area's highly impacted housing market. It is anticipated that the new residents will contribute to the local economy. According to the applicant, there are two businesses currently on the project site. Bay Area Jump has five to seven employees while A-1 Recycling has seven to ten employees. Each business is in a short term lease and aware of the pending requirement to move. It has not been disclosed where the two businesses will relocate. Planning Division staff contacted each business owner to offer assistance to determine the appropriate zoning district for their businesses and which permits will be required to operate. The business owners have yet to respond. No activities related to finding alternative locations have occurred, as 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 can assist with site selection services as that is a service offered to our business community.

FISCAL IMPACT

According to the terms of the Purchase and Sale Agreement for the City-owned excess West Jackson Street right-of-way, the developer would pay the City \$226,520 (\$20 per square foot). These funds will be deposited into the Street System Improvement Fund to fund future roadway projects.

Annual revenues and annual costs are based on the assumed unit price of \$660,000. Since the applicant chose not to provide an estimate, due to the inability to gauge the housing market when the units would be completed in the future, staff chose the unit price based on the assumed unit price of a comparable unit proposed for a similar project. According to a rough estimate based on the City of Hayward Fiscal Impact Model prepared by Applied Development Economics, Inc., the project would generate \$111,484 of revenue annually (including property tax, sales tax, utility tax, franchise fees, among others); and cost approximately \$119,775 annually related to City services, resulting in a net negative impact of \$8,291 per year (\$166 per unit). The introduction of new residents will also result in cascading fiscal benefits in dollars spent in the community that will be utilized by receiving merchants.

SUSTAINABILITY FEATURES

Energy - *Does the proposal include features that will minimize the use of electricity, natural gas, and other fossil fuels?* Green building materials and techniques construction practices will be used so each condominium will be energy efficient and will provide a healthy environment for its residents. Construction of each condominium and building will include radiant-barrier roof sheathing, double-pane, and low-e windows. Units are designed to exceed Title 24 minimum standards by fifteen percent. Sixty-five percent of construction material will be diverted from landfills.

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?* During construction, the project will adhere to Bay Area Air Quality Management District (BAAQMD) "Basic Construction Mitigation Measures." All units will have energy efficient mechanical ventilation. Zero-VOC interior paints, and low-VOC caulks and adhesives will be used. Low-emitting flooring used will meet CDPH-2010 Residential Standard Methods. In addition, garages will be pre-wired to allow installation of an electric vehicle charger for each household.

Solid Waste - *Does the proposal include features that will minimize material sent to a landfill?*

Sixty-five percent of 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.

Purchasing - *Will the proposal be consistent with the City's Environmentally Preferred Purchasing Policy?* The Felson Company has adopted an Environmental Policy Statement that insures the purchase or contract of environmentally preferred products. The policy is as follows: "*Felson Companies is committed to protecting the environment and improving the health and safety of our employees, residents, and surrounding community. The goal of our environmental policy is to ensure that the products and services we provide, purchase, or contract adhere to our commitment to lessen the environmental impact of our residential communities.*"

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. There are three nearby bus stops that are within 0.2 and 0.8 miles walking distance (five to ten minute walk) from the development. South Hayward BART and Hayward BART transit center can be accessed by these AC Transit bus routes.

PUBLIC NOTICE

The Planning Commission conducted a public hearing in February; however, no one from the public testified at the hearing. .

On March 25, 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 March 26, 2016. At the time of this staff report finalization, no responses to the hearing notice had been received.

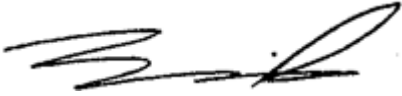
NEXT STEPS

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 High Density zoning of the vacated right-of-way and rezoning on one parcel 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

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Fran David, City Manager

Attachments:

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| Attachment I and I.a | Draft Resolution and Conditions of Approval |
| Attachment I.a, Exhibit A | Harvest Park Plans and Vesting Tentative Tract Map No. 8240 |
| Attachment II | Draft Ordinance |
| Attachment III | Area and Zoning Map |
| Attachment IV | Vacation Map |
| Attachment V | Draft Planning Commission Meeting Minutes, February 25, 2016 |
| Attachment VI | Acoustical Study |