



# CITY OF HAYWARD

Hayward City Hall  
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## Cover Memo

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**File #:** PH 22-065, **Version:** 1

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**DATE:** December 6, 2022

**TO:** Mayor and City Council

**FROM:** Assistant City Manager/Development Services Director

### **SUBJECT**

Density Bonus Ordinance: Introduce an Ordinance Related to Text Amendments to Chapter 10 (Planning, Zoning, and Subdivisions) of the Hayward Municipal Code for the Adoption and Updates to the City's Density Bonus Ordinance and Adopt a Resolution Supporting the Proposed Zoning Text Amendments and Approving an Addendum to the Hayward 2040 General Plan Environmental Impact Report for the Administration of a New Density Bonus Program in the City of Hayward

### **RECOMMENDATION**

That the Council adopts a resolution (Attachment II) supporting the proposed Text Amendments to Chapter 10, Article 17 and Article 19, of the Hayward Municipal Code for the adoption and updates to the City's Density Bonus Ordinance, including an Addendum to the Hayward 2040 General Plan (Attachment IV) and introduces an Ordinance for Zoning Text Amendments to Chapter 10, Planning, Zoning and Subdivisions (Attachment III) of the Hayward Municipal Code regulating development seeking a Density Bonus.

### **SUMMARY**

The City's existing Density Bonus Ordinance, adopted in 2005, does not conform with current State law. The current State law, which is required to be implemented by local jurisdictions, offers more density, more incentives, and additional relaxed parking requirements to projects that qualify for the density bonus. While the State's Density Bonus formula takes precedence, the City can change the formula to offer a higher density bonus and more incentives for certain projects, but under no circumstances can the City offer smaller density bonuses or fewer incentives than the State formula mandates. Staff is proposing to update the City's Density Bonus Ordinance to reflect four main changes:

1. Exceed the State's Density Bonus Maximum by 5% for all density bonus projects that provide on-site affordable units;
2. Exceed the State's Density Bonus Maximum by 10% for projects that provide on-site affordable units and target special populations;
3. Increase the number of incentives/concessions for projects that exceed the minimum on-site affordable housing requirements under the City's Affordable Housing Ordinance (AHO) in order to encourage development of more affordable units; and

4. Streamline the review of Density Bonus applications to allow new applications to be considered by the highest approving body.

These recommendations are based on previous feedback provided by the Council, Planning Commission, and the City's Homelessness Housing Task Force (HHTF). Staff is proposing to streamline the review of Density Bonus applications and is working on a policy for fee deferrals to offset upfront costs associated with affordable housing construction to help overall project feasibility. Staff believes that the recommended updates to the City's Density Bonus Ordinance will further incentivize affordable housing production and promote housing for several target populations as identified in the recently completed Displacement Study.

## **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution Text Amendments
Attachment III	Ordinance Text Amendments
Attachment IV	CEQA Addendum Hayward 2040 General Plan
Attachment V	Recommendations Not Included with the Density Bonus Ordinance
Attachment VI	Stakeholder Interview Comments
Attachment VII	Draft Planning Commission Minutes of 11/10/22