



## **SUBJECT**

Proposal to allow an outdoor automobile storage yard with related fleet support activities, including vehicle preparation and minor automotive repair, for an automobile auctioning company on a 6.7-acre parcel located at 2348 Industrial Parkway West containing an existing truck terminal (Assessor Parcel No. 463-0105-001-00) in the General Industrial (IG) Zoning District, Requiring Approval of Conditional Use Permit Application No. UP-25-0035 and a Finding that the Project is Categorically Exempt from the Provisions of the California Environmental Quality Act (CEQA) Pursuant to Section 15301 of the CEQA Guidelines. Manheim (Operator); Andrew Hess, Layline LLC (Applicant/Property Owner).

## **RECOMMENDATION**

That the Planning Commission find the proposed project to be categorically exempt from CEQA pursuant to CEQA Guidelines Section 15301, Existing Facilities, and approve Conditional Use Permit (CUP) Application No. UP-25-0035 to allow the establishment of an outdoor automobile storage yard with related fleet support activities, including vehicle preparation and minor automotive repair, for an automobile auctioning company (“Manheim”), as described in the Applicant’s Business & Operations Plan in Attachment IV and as shown in the proposed plans in Attachment IV, based on the analysis set forth in this staff report and the draft findings contained in Attachment II, and subject to the conditions contained in Attachment III.

## **SUMMARY**

The applicant is requesting approval of a CUP on behalf of Manheim to utilize the property at 2348 Industrial Parkway West (“Subject Property”) for outdoor storage of vehicles earmarked for auction. According to the Applicant, between 600-700 vehicles would be stored on the site. In addition to outdoor storage, Manheim would also conduct minor cosmetic preparation of the vehicles on-site prior to auction, including washing exteriors, cleaning/vacuuming interiors, removing minor dents, and replacing cracked windshields.

The subject property was previously used for the same purpose by a similar business from 2011-2022, but that use ceased operations in 2023, and the prior CUP approval subsequently lapsed due to inactivity. Pursuant to Hayward Municipal Code (HMC) Section 10-1.1603<sup>1</sup>, Automobile Storage Yards are permitted in the IG zoning district, subject to approval of a CUP by the Planning Commission.

## **BACKGROUND**

The subject property was originally developed with the existing truck terminal facility in the early 1970s and was used for truck freight purposes for several decades. On March 11, 2010,

<sup>1</sup> HMC Section 10-1.1603 – Use Regulations-Industrial Subdistricts:  
[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART1ZOOR\\_S10-1.1600INDI\\_S10-1.1603USRENDSU](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1ZOOR_S10-1.1600INDI_S10-1.1603USRENDSU)

the Planning Commission approved CUP Application No. PL-2009-0534 allowing Desert View Auto Auctions to utilize the property for outdoor vehicle storage associated with an automobile auction business. Desert View Auto Auctions was eventually acquired by Copart Inc. (“Copart”), a global online auto auction company, and Copart continued to operate at the site under CUP PL-2009-0534 until early 2023, when it relocated to 1964 Sabre Street where it has been operating ever since.

Pursuant to HMC Section 10-1.3270<sup>2</sup>, any use authorized by an approved CUP that ceases operation for a period of more than six (6) months shall be deemed discontinued, and the CUP shall lapse. As such, the subject property has not been used for outdoor vehicle storage since Copart relocated to Sabre Street in 2023. In late 2025, the applicant, Manheim, inquired about the possibility of once again using the site for outdoor storage and preparation of vehicles going to auction, which requires a new CUP.

*Public Outreach.* On December 26, 2025, the City mailed 81 Notices of Application Receipt (NOR) for the project to the owners and occupants of all properties within a 300-foot radius of the project site. No public comments were submitted in response to the NOR.

On April 10, 2026, a Notice of Public Hearing for this Planning Commission meeting was sent to the same list of addresses that received the NOR and also published in *The Daily Review* newspaper. No public comments were received as of the publishing date of this staff report.

## **PROJECT DESCRIPTION**

*Existing Conditions:* The subject property contains an existing 18,692-square-foot truck terminal featuring 20 loading docks, as well as a 4,026-square-foot maintenance shop at the back of the site behind the terminal building. The vast majority of the property is paved due to its use for truck freight purposes over several decades. An existing 8-foot-high chain-link fence with slats encloses the terminal yard and screens its operations from view from the street.

Vehicular access to the site is provided via an extra-wide driveway designed for truck traffic that straddles the property line between the subject property and the adjacent property to the east, which serves both properties. The site features a 64-space parking lot immediately inside the entry driveway from Industrial Parkway West, and another three accessible parking spaces directly outside the building entrance (see Sheet DAB-A1.3 in Attachment V for detailed site photographs). A landscaped setback with several street trees separates the parking lot from the street/sidewalk, and additional landscaping with shade trees borders the interior of the parking lot as well.

*Proposed Operations:* Manheim proposes to conduct outdoor vehicle storage on the subject property to support its wholesale vehicle auctions at its local auction site located approximately 1.1 miles to the east at 29900 Auction Way. Up to 700 vehicles would be stored on paved areas located to the sides and rear of the existing buildings on site, to which no changes are proposed.

As part of its everyday operations, commercial vehicle sellers, including auto dealerships, rental car companies, banks, fleet operators, car manufacturers and government agencies, would deliver available vehicles using car haulers directly to the subject site. Delivered vehicles would

<sup>2</sup> HMC Section 10-1.3270 – Discontinued Uses: [https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART1Z0OR\\_S10-1.3200C0USPE\\_S10-1.3270DIUS](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1Z0OR_S10-1.3200C0USPE_S10-1.3270DIUS)

be staged on-site and trained inspection teams would assess the quality and condition of each vehicle. If a vehicle is determined to be in good condition, the oil would be changed and the fluids topped off. Then the vehicle would be cleaned/vacuumed, washed, and ultimately driven by Manheim employees to the primary facility at 29900 Auction Way for preparation and sale to licensed automotive dealers. If the inspectors find minor vehicular damage, such as door dings or cracks in the windshield, the necessary repairs would be made on-site at either the subject property or at the Auction Way site, depending on workload. If a car requires professional service, it would be taken off-site to have the work completed. Vehicle deliveries occur via car carrier trucks, with approximately 10 trucks delivering vehicles to the site on a typical business day. Once the vehicles are unloaded, the car carrier trucks return to their origin.

As reflected in the proposed Business & Operations Plan (Attachment IV), the facility would be open five days per week, Monday through Friday, from 7:00 AM to 6:00 PM, and would employ approximately 25 employees in a single shift. At full capacity, Manheim expects to store between 600 and 700 vehicles on the site at any given time.

*Safety/Security Requirements.* To deter break-ins and vehicle theft when the operation is closed, an existing 8-foot-tall perimeter fencing and LED site lighting would be utilized, along with installation of new high-definition security cameras located strategically around the site. Additionally, a professional security guard would be present on the site during business hours. This combination of security measures is standard for outdoor vehicle storage yards operated by automobile auction companies.

## **POLICY CONTEXT AND CODE COMPLIANCE**

*Hayward 2040 General Plan:* The project site contains an Industrial Corridor (IC) land use designation in the *Hayward 2040 General Plan*<sup>3</sup>. The area designated as IC is expected to continue to grow as an economic and employment center and evolve to achieve a healthy balance of manufacturing, warehouse, and logistics-type uses, as well as new research and development (R&D) and high-technology-based uses. Allowable uses include, but are not limited to, Research & Development, manufacturing, wholesale, warehousing and distribution, truck freight terminals, auto body repair shops, contractor services and biotechnology.

The proposed use will enable a prominent auto auction company to expand its operations and increase its workforce in the City, while also providing an economic benefit by locating a temporary storage yard for vehicles that are ultimately scheduled to be auctioned off at its main regional auction site a short distance away, thereby reducing transportation costs between the two facilities. Allowing the proposed use would be consistent with the following *Hayward 2040 General Plan* goals and policies:

- *Economic Development Element Goal ED-1:* Diversify the economic base of Hayward to support a robust and stable economy with a diverse range of employment, shopping, and cultural opportunities for residents.
- *Economic Development Element Goal ED-3:* Grow the local economy and employment base by supporting efforts to expand and retain local businesses.
- *Mobility Element Goal M-11:* Balance the safe and efficient movement of goods with local access and circulation needs.

<sup>3</sup> Hayward 2040 General Plan: <https://www.hayward-ca.gov/2040-General-Plan>

- Mobility Element Policy M-11.1 - Goods Movement: The City shall provide an efficient transportation system for the movement of goods and services through and within Hayward, while meeting the safety and mobility needs of all roadway users.

Additional discussion on the consistency between the proposed use and the *Hayward 2040 General Plan* is contained in the Staff Analysis section below and within the draft Findings for Approval (Attachment II).

Zoning Ordinance: The project site is located within the General Industrial (IG) zoning district. The IG district allows for outdoor Automobile Storage Yards subject to approval of a CUP. Pursuant to HMC Section 10-1.3225<sup>4</sup>, the Planning Commission may approve or conditionally approve a CUP when all the following findings can be made:

- a. The proposed use is desirable for the public convenience or welfare;
- b. The proposed use will not impair the character and integrity of the zoning district and surrounding area;
- c. The proposed use will not be detrimental to the public health, safety, or general welfare; and
- d. The proposed use is in harmony with applicable City policies and the intent and purpose of the zoning district involved.

The proposed use would help meet a specialized demand for the temporary storage of vehicles being prepared for auction, and would be desirable for the general welfare by reducing the overall number of truck trips on the local and regional road and highway networks by minimizing the length of such trips due to its proximity to the auction company's main auction site only one mile away on Auction Way. This convenient proximity would, in turn, help to keep transportation costs down for Manheim and its customers. Furthermore, the use of the site for outdoor storage would be compatible with numerous other nearby industrial uses that conduct outdoor storage of vehicles, trucks, and other items, including the many truck freight companies, auto body shops, and contractor businesses operating in the surrounding area.

The City's Zoning Ordinance and General Plan both recognize the need to allow for such uses to conduct outdoor storage as part of their daily operations, subject to approval of a CUP, thereby enabling the City to revoke the CUP in the event the applicant violates applicable performance standards or environmental regulations, or poses a nuisance to the neighboring businesses or the general public. Additional analysis related to the findings required is included in the Staff Analysis section below and contained in the draft Findings for Approval in Attachment II.

## STAFF ANALYSIS

Staff has reviewed the project plans and Business & Operations Plan submitted by the Applicant and believes the Planning Commission can make the required findings to approve the CUP, subject to the recommended conditions of approval in Attachment III. As previously mentioned, the proposed use would allow an automobile auction business to expand its operations and increase its workforce in Hayward. The proximity of the subject property to Manheim's main site will also benefit Manheim's customers and the general public by helping to keep transportation costs down and not adding new trips to Interstate 880.

<sup>4</sup> HMC Section 10-1.3225 - Conditional Use Permit Findings:  
[https://library.municode.com/ca/hayward/codes/municipal\\_code?nodeId=HAYWARD\\_MUNICIPAL\\_CODE\\_CH10PLZOSU\\_ART1Z00R\\_S10-1.3200C0USPE\\_S10-1.3225FI](https://library.municode.com/ca/hayward/codes/municipal_code?nodeId=HAYWARD_MUNICIPAL_CODE_CH10PLZOSU_ART1Z00R_S10-1.3200C0USPE_S10-1.3225FI)

Furthermore, allowing the proposed use would be consistent with the goals and policies of the *Hayward 2040 General Plan*, in that the proposed use would be compatible with and complementary to the many outdoor automobile storage yards located a short distance away to the east between Industrial Parkway West, Interstate 880, and Industrial Parkway Southwest. It would also increase the likelihood that Manheim maintains one of its regional bases in the city and continues to employ workers from within and around the area, thus helping retain a major auto auctioning business and give customers looking to auction off their vehicles another choice.

Staff has drafted a set of conditions of approval regulating the daily operations of the proposed outdoor storage yard, including conditions designed to protect water quality from leaking automotive fluids and on-site car washing, and to deter car theft attempts. With the inclusion of these conditions, staff does not believe the use will have a detrimental impact to public safety or welfare. The Applicant will be required to adhere to the conditions at all times, and any failure to do so could constitute grounds for revocation of the CUP. For these reasons, staff recommends that the Commission approve the CUP based on the draft findings in Attachment II and subject to the recommended conditions in Attachment III.

### **ENVIRONMENTAL REVIEW**

The proposed project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities, which exempts projects that utilize existing structures while making no changes, or only minor modifications to their size or height. The proposed project would reuse the existing truck terminal building as is, making no changes to its layout, size or height.

### **NEXT STEPS**

If the Planning Commission approves the Conditional Use Permit, then a 10-day appeal period will commence from the date of decision. If no appeal is filed, then the decision will be deemed final. If an appeal is filed within the 10-day time frame, then the appeal will be scheduled for consideration by the City Council at a duly noticed public hearing.

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*Recommended by:* Elizabeth Blanton, AICP, Senior Planner

Approved by:

  
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