



**CITY OF HAYWARD**  
**AGENDA REPORT**

AGENDA DATE 11/18/03  
AGENDA ITEM \_\_\_\_\_  
WORK SESSION ITEM WS #2

**TO:** Mayor and City Council  
**FROM:** Director of Community and Economic Development  
**SUBJECT:** Mt. Eden Annexation Study Update

**RECOMMENDATION:**

It is recommended that the City Council review and comment on this report.

**BACKGROUND:**

The purpose of this work session is to provide an update on the progress and scope of the Mt. Eden Annexation Study.

Why Annexation?

Approximately ten years ago, the County spearheaded efforts to annex most of the unincorporated islands in the Mt. Eden area (see attached map). Such efforts ultimately failed, however, and the County eventually withdrew its application for annexation. Pursuit of annexation is again being considered because State law encourages the logical formation and determination of local agency boundaries and because there are a number of properties in the area that have recently been purchased by owners who have expressed an interest in having their properties annexed into the City of Hayward and redeveloped.

Regarding State law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 contains policies and procedures related to annexations. One of those policies, which the Local Agency Formation Commission (LAFCo) of Alameda County seeks to implement, states "that the logical formation and determination of local agency boundaries is an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services" and further states that such policy should be "effected by the logical formation and modification of the boundaries of local agencies, with a preference granted to accommodating additional growth within, or through the expansion of, the boundaries of those local agencies which can best accommodate and provide necessary governmental services and housing for persons and families of all incomes in the most efficient manner feasible."

The City of Hayward General Plan reflects state law and indicates the City should "seek to achieve more congruous boundaries to provide for the efficient delivery of public services and to

create a greater sense of community” and should “evaluate annexing unincorporated islands and adjoining urbanized county areas within the Sphere of Influence in light of desires of affected residents and fiscal impacts on the city.” The Mt. Eden Neighborhood Plan, adopted in 1990, supports annexation of these unincorporated islands.

The lack of infrastructure and services that meet City standards is a major issue pertinent to annexation and will be analyzed as part of the current study. Many of the properties mentioned previously that have recently been purchased are located in the Saklan Road island. If these properties are redeveloped, tax increment funds associated with such future development could be utilized to make improvements in the area more palatable from a cost point of view.

### Purpose of Study

The objective of the Mt. Eden Annexation Study is to determine the desirability and feasibility of annexing unincorporated lands in the Mt. Eden area, in association with the possible submittal of an annexation application to the Alameda Location Agency Formation Commission (LAFCo) (see attached map). All islands are within the existing City of Hayward’s Sphere of Influence, and also within the County’s Eden Area Redevelopment Project area, with such project administered by the County Redevelopment Agency.

The study will entail:

- Reviewing General Plan designations for the unincorporated properties; no changes to such designations are anticipated at this time,
- Reviewing rezoning designations established by the Mt. Eden Neighborhood Plan in 1990, and assigning new rezoning designations for the Depot Road and Dunn Road island parcels,
- Assessing potential environmental impacts at a program level associated with annexation and potential development, including those associated with traffic,
- Determining the anticipated public operating costs and revenues associated with annexation and potential development of the area, and
- Calculating the costs associated with capital improvements (essentially updating a 1994 engineering study initiated by the County), as well as identifying funding sources for such costs.

A project timeline is also included as an attachment to this report, with an anticipated annexation application submittal date of September of 2004.

### **DISCUSSION:**

The Mt. Eden area contains five unincorporated “islands” totaling approximately 173 acres that are completely surrounded by the City of Hayward (see attached map). Three of the islands are contained within the Mt. Eden Neighborhood Plan area and are primarily residential, while the two western-most islands (Depot Road and Dunn Road) are located west of Clawiter Road outside the Plan area, consisting primarily of industrial uses. The following table indicates the parcel acreage and number of parcels in each island.

Islands	Number of Parcels	Total Acres
SAKLAN ROAD	110	62.00
DEPOT ROAD	13	40.68
DUNN ROAD	29	15.12
WEST-MOHR	16	34.57
MOHR-DEPOT	53	20.83
<b>GRAND TOTALS:</b>	<b>221</b>	<b>173.20</b>

Consistent with the project timeline, an initial community meeting was held on October 1, 2003 at Ochoa Middle School, which was attended by approximately 70 residents. Some questions asked by meeting attendees included whether the City was going to consider single or multiple island annexations, whether the City would renew use permits issued by the County if annexation occurs and why the City was considering annexation again. Some residents, many who seemed to reside in the Mohr-Depot island, voiced strong opposition to annexation, others encouraged the City to allow residents to annex and connect to City services on a piecemeal basis, while other attendees wanted the City to allow property owners the option to annex without full improvements. Some of the residents who voiced opposition to annexation also were encouraging residents to sign a petition at the meeting to indicate their opposition to annexation.

There are several distinctions worth noting between the Saklan Road residential island and the other two residential islands of West-Mohr and Mohr-Depot. The properties in these latter two islands are served by a private water company, the Mohrland Mutual Water Association (MMWA), which serves only a handful of properties in the Saklan Road island. Also, when compared to the Saklan Road island, the Mohr-Depot island consists of smaller developed lots, which would limit future development potential in that particular area. Finally, the Saklan Road island is located north of a flood control channel that runs along West Street, while the other two islands are located south of the channel.

Given the limited future development potential in the two residential islands along Mohr Drive, issues related to the Mohrland Mutual Water Association and opposition to annexation by residents, staff is recommending that the West-Mohr and Mohr-Depot islands be excluded from the study area at this time. Annexation of these islands could be considered and a study conducted at a future date when there is more support for annexation of these areas.

**NEXT STEPS:**

A second community meeting is scheduled at Ochoa Middle School for the morning of Saturday, December 6, where residents will be updated on progress of the study and asked to provide input on issues that they feel should be addressed in the environmental impact report. In addition to working with a consultant to prepare a program environmental impact report, staff will also be working with consultants in the next few months to develop a traffic study/analysis and capital improvements costs study/analysis.

Staff has also established a Mt. Eden Annexation Study forum on the City's website, to provide information to the public and allow interested parties an opportunity to comment on the study. For those residents who do not have access to the internet, staff is also planning to mail newsletters to residents between community meetings to update residents on the progress of the study.

Prepared by:



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Recommended by:



*for* \_\_\_\_\_  
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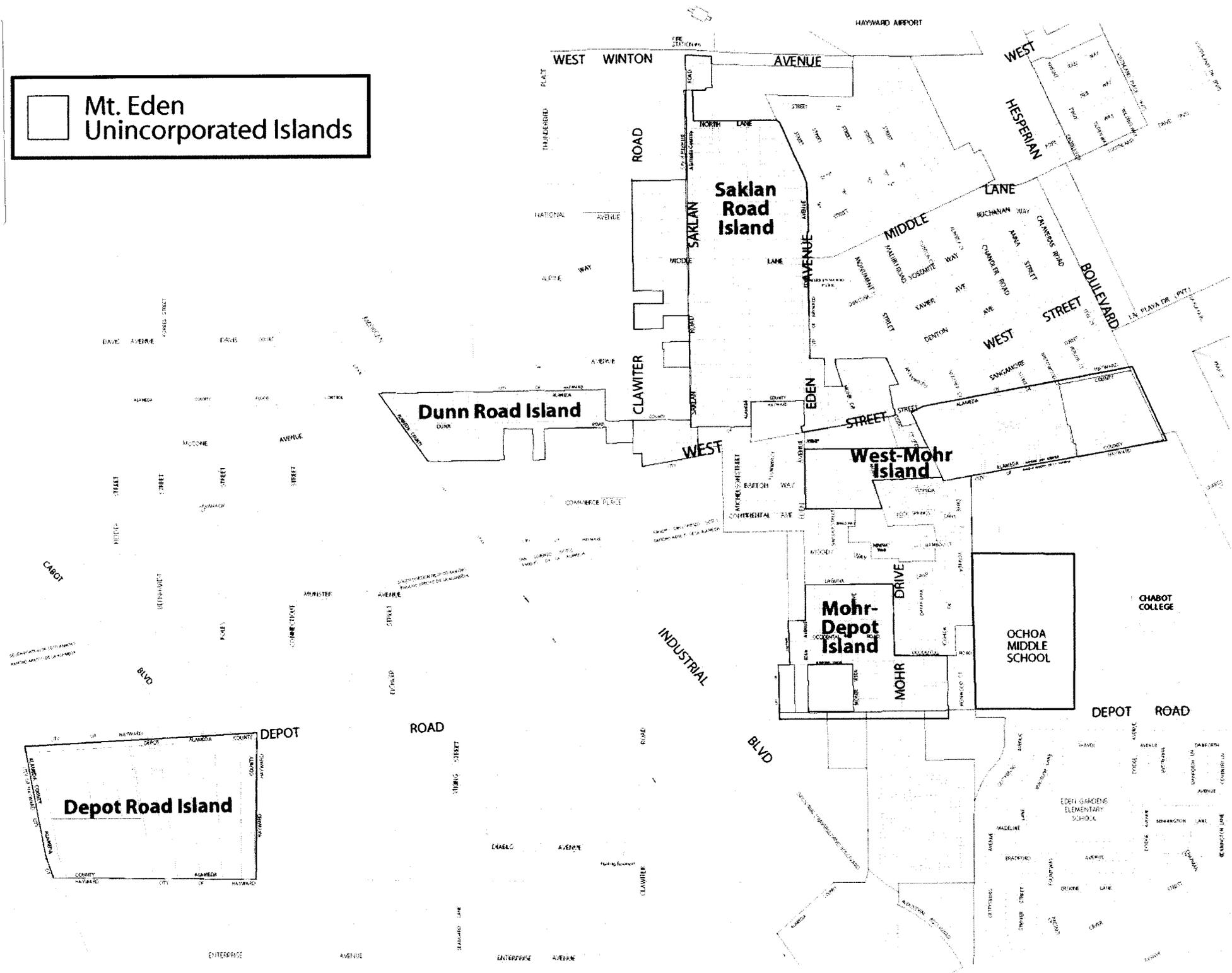


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Jesús Armas, City Manager

Attachments: Exhibit A. Map of Mt. Eden Unincorporated Islands  
Exhibit B. Project Timeline

11/13/03

 Mt. Eden  
Unincorporated Islands



## MT. EDEN ANNEXATION STUDY TIMELINE

### Phase I: Project Scope Formulation

#### 2003

October 1 (Ochoa Middle School)	<u>Community Meeting:</u> Introduction to study process, review of existing land use/zoning patterns, identification of issues
Mid October	Finalize project scope
Mid November	<u>City Council Work Session</u>

### Phase II: Studies and Analyses

November	Begin work on development of capital improvements costs and operating costs analyses; Prepare CEQA initial study and issue Notice of Preparation
Early December	<u>Community Meeting:</u> CEQA scoping meeting; Begin preparation of Draft EIR (DEIR)

#### 2004

Mid February	Review capital improvement costs and operating costs with City Council
Late February	<u>Community Meeting:</u> Review same reports with community
Late March	Release draft environmental impact report (DEIR)
Mid April	Review DEIR with City Council
Late April	<u>Planning Commission Meeting:</u> DEIR <u>Community Meeting:</u> Allocation of capital improvement costs and identification of funding sources for such costs
Mid May	End of 45-day public review period for DEIR; Begin preparation of Final EIR (FEIR);
June	Finalize FEIR

**Phase III: Public Hearings**

Late June

Planning Commission Public Hearing

July

City Council Public Hearing(s)

**Phase IV: Submittal of Annexation Application**

August

Prepare annexation application submittal package

Late August/Early September

Submit annexation application package to LAFCo