



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 11/14/06

AGENDA ITEM _____

WORK SESSION ITEM WS#2

TO: Mayor and City Council
FROM: City Manager
SUBJECT: Route 238 Land Use Study

The attached staff report focuses on the process and approach leading to decisions related to appropriate land use designations of Caltrans property in Hayward. Necessarily, the study will focus on a longer term perspective. In this memorandum, I would like to apprise the Council of opportunities to also initiate important short term measures. This information has been developed as a result of meetings and conversations involving the Mayor and I, both individually and together, with Will Kempton, Caltrans Director, and Jim Ghielmetti, Vice-Chair of the California Transportation Commission.

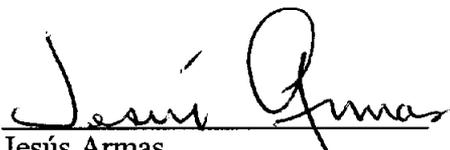
Both Mr. Kempton and Ghielmetti expressed a willingness to work cooperatively with the City to move as expeditiously as possible to improve the conditions of Caltrans property and, where appropriate, also dispose of surplus parcels so that they can return to the tax rolls, thereby enhancing the local tax base. Both gentlemen acknowledge that Caltrans is not well suited to be in the property management business, as this is not its primary mission of addressing transportation problems in the state.

In this regard, we have identified key short term strategies which can occur simultaneous with the aforementioned study. First, Caltrans is agreeable to working with the City to identify structures which should be deconstructed, due either to the condition of the structures or because their continued use is no longer appropriate. An example of the first is the former service station at Foothill and Grove, while the former fraternity house on Carlos Bee is an example of the second circumstance. Accordingly, Caltrans and City staff will work together to identify candidate properties.

A second short term objective is to identify properties whose use will not change as a result of this study, and therefore may constitute good candidates to release for sale in the near term. An example is an existing single family home located in a single family neighborhood, the land use designation for which will not change as result of the study. One or more parcels along upper B Street would fit this description. Additional parcels that may be candidates for early release are those for which planning has already occurred. Examples in this category include vacant Caltrans parcel on Mission between Valle Vista and Industrial which were addressed in the South Hayward Bart Plan.

In order for property to be declared surplus and therefore potentially sold, it is also necessary for Caltrans, through the Transportation Commission, to take formal action affirming that the right of way is no longer needed for a transportation project. Consequently, a third objective is to work with Caltrans and others to pursue such action. At the same time, steps need to be taken to insure that the revenue from the sale of surplus remains available to address transportation issues in Hayward and its environs, which is in keeping with the original Holmdahl legislation.

I am optimistic that the short term measures described above together with the results of the land use study will yield positive results for the community. Mr. Kempton and Mr. Ghielmetti are to be commended for their leadership in this regard and for their willingness to work cooperatively with the City to assure outcomes which are beneficial to both Hayward and Caltrans.

A handwritten signature in black ink that reads "Jesús Armas". The signature is written in a cursive style with a large, prominent "J" and "A".

Jesús Armas
City Manager



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TO: Mayor and City Council
FROM: Director of Community and Economic Development
SUBJECT: Review of Route 238 Land Use Study

RECOMMENDATION:

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

BACKGROUND:

The City has been awarded a \$250,000 grant from Caltrans to conduct a land use study of the Route 238 Bypass right-of-way parcels (see map, Exhibit A). The Route 238 Bypass project is no longer being pursued and the State is anticipated to declare such properties excess and initiate sale of such properties in the future. The study represents an opportunity for Hayward to determine the most appropriate and productive land use of the study area properties, recognizing both development and open space opportunities in consideration of such things as market trends, traffic and circulation impacts and physical land constraints, including those associated with geologic issues such as earthquake faults. The outcome of the study will entail amendments to the General Plan Land Use and Zoning designations for properties in the study area.

Besides holding joint work sessions with the City Council and Planning Commission throughout the study, staff also envisions working with various public agencies that own land near the study area and/or that provide public services. Also, the study process will emphasize public outreach, with community meetings anticipated every three to four months to allow input from the public. Staff will be recommending a consultant team in the near future that will provide technical assistance throughout the study. A summary of the anticipated major components of the study are summarized below.

Land Use Alternatives

Working with the consultant team, staff will develop a limited number of land use alternatives, based on results of a market analysis, direction from the City Council, and input from the public and various agencies. Housing opportunities will be identified through analysis of potential development sites. Utilizing information from various sources, including the City's geographic information system, sites that represent opportunities for open space will also be identified by the consultant team. Areas that contain the Hayward earthquake fault trace are an

example of such opportunity areas. Formation of the alternatives will also involve consideration of a circulation analysis in terms of roadway networks and connectivity of areas via trails and paths.

Circulation and Traffic Analyses

The consultant team will analyze the potential for enhancing existing roadway and infrastructure networks, as well as creating new ones, along with pedestrian and bicycle linkages, in relation to the land use alternatives. The costs associated with such improvements will also be analyzed. Additionally, a traffic consultant will conduct an analysis on the anticipated additional traffic impacts that would be expected to be generated for land uses in each alternative, using standard assessment methodologies.

Market and Fiscal Impact Analyses

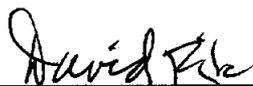
To provide further guidance in developing recommended land use scenarios, a market analysis will be completed by the consultant team that will identify market feasibility for a variety of land uses, with particular consideration given to land uses that meet the goals and objectives of the General Plan. Once land use alternatives are developed, an evaluation of the fiscal impacts of each alternative to the City's general fund and redevelopment agency fund will be conducted by the consultant team. Fiscal impacts to other agencies that provide service in the area, such as the Hayward Area Recreation and Park District, will also be analyzed.

Program Environmental Impact Report

A program-level environmental impact report will be prepared to assess potentially significant impacts of the various alternatives, focusing on new significant impacts identified as a result of changes in the proposed land uses.

Staff envisions holding an initial community meeting in the first quarter of next year that will entail an overview of the study process and allow initial input from the public. Various analyses will be conducted in the first half of next year, with development of land use and circulation alternatives anticipated for the fall of 2007. After refinement of the alternatives and environmental review, public hearings are anticipated for the late spring of 2008.

Prepared by:



David Rizk, AICP
Planning Manager

Recommended by:



Susan J. Daluddung
Director of Community and Economic Development

Approved by:



Jesús Armas, City Manager

Attachments:

Exhibit A. Study Area Map

11/9/06

**DUE TO THE COLOR OF THE
REFERENCED ATTACHMENT, IT
HAS BEEN ATTACHED AS A
SEPARATE LINK**