



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 1/11/07
AGENDA ITEM 2
WORK SESSION ITEM _____

TO: Planning Commission

FROM: Planning Manager

SUBJECT: **Text Amendment No. PL-2006-0544 – Initiated by the Planning Director -**
Proposal to Amend the City of Hayward Subdivision Ordinance, Section 10-3.350 through Section 10-3.395: "Condominium, Community Apartment, and Stock Cooperative Subdivisions," Governing Conversion of Residential Rental Complexes to Ownership Housing.

RECOMMENDATION:

Staff recommends that the Planning Commission forward a recommendation of approval to the City Council for the attached Negative Declaration and adopt the proposed amendments to the Subdivision Ordinance.

DISCUSSION:

On October 11, 2005, the City Council held a work session to discuss City ordinances and policies relating to the conversion of rental housing to condominiums. The City Council then directed staff to develop potential amendments to the "condominium conversion" sections of the City's Subdivision Ordinance in order to address some of the issues raised during the work session. Council's direction was based, in part, on concerns about the impacts on Hayward renters. Additionally, an objective of an amended ordinance would be to reconcile the loss of rental housing with City policies which, as indicated in the City's Housing Element, seek to achieve 70 percent ownership housing in Hayward.

On December 20, 2005, the City Council adopted an interim moratorium on land use approvals of condominium conversions in the City of Hayward; and on January 24, 2006, City Council adopted an ordinance that continued the interim moratorium until December 18, 2006.

To facilitate input from the housing development community, staff held three meetings with interested parties related to condominium conversions. One meeting was held in March 2006 to obtain preliminary feedback and two additional meetings were held on November 29 and December 5 of last year regarding a preliminary draft ordinance. On December 19, a joint work session was held with the Planning Commission and City Council to discuss proposed amendments to the conversion ordinance.

The proposed draft ordinance (Attachment A) reflects some of the comments provided at the interested parties meetings and joint work session. Attachment B is a red-lined version of the

proposed ordinance, showing changes to the existing regulations regarding conversions. Attachment C is a matrix comparing the proposed ordinance to conversion ordinances in other East Bay cities. The major features in the draft ordinance are summarized below.

1. Units Subject to Amended Ordinance.

Presently, the conversion of four or fewer rental units to ownership housing does not fall under the City's Subdivision Ordinance. However, much of Hayward's rental stock may be found within smaller complexes. For this reason, staff is recommending that the ordinance be amended to include tri-plexes and four-plexes as well as larger developments. [Sec. 10-3.350]

2. Notice to Tenants

The noticing requirements are consistent with those required by State law; however, staff is recommending requiring that all notices be provided in both English and Spanish, as well as in the language of the written rental or lease agreement in recognition of Hayward's diversity. [Sec. 10-3.370 (a) 1.]

3. Tenant Assistance

For assistance to tenants who must seek other housing due to displacement associated with conversion of their unit to ownership housing, the current ordinance requires a "tenant assistance plan." This plan describes "those incentives and inducements that would increase the potential for, and ability of, tenants to become owners in the conversion, and shall also include actions and procedures to enable hard-to-relocate tenants to remain as tenants." The tenant assistance plan required certain actions on the part of the subdivider, including payment to tenants equal to the difference in rents between another comparable rental unit if located within a 50-mile radius for a one year period.

The proposed ordinance would eliminate the requirement for a "tenant assistance plan" and state specifically how assistance would be provided. For example, like the existing ordinance, moving expenses in the amount of \$1,000 would be required; however, the amended ordinance would also require the payment of the equivalent of three months' rent to cover typical expenses associated with relocation, i.e., first months' rent, a security deposit, or increased rental rate. The equivalent of one month's rent would be required to be paid to the tenant 30 days prior to the tenant moving out, and the remaining equivalent of two months' rent would be paid upon the tenant vacating the premises. [Sec. 10-3.370 (c) 4.]

Leases associated with households with children would be reduced from the existing 2 years to 6 months or the end of the school year, whichever occurs later. [Sec. 10-3.370 (c) 2.]

4. Assistance to the Elderly and Disabled

The current regulations require that tenants age 62 and older or that are disabled be provided life-time leases. While there is general consensus that seniors and the disabled should not be displaced without some assistance so that their transition would not be unduly distressing, opinions vary whether life-time leases should be required.

The proposed draft ordinance has not been changed from that presented at the December 19, 2006 joint work session, which would require a minimum five-year lease option for the disabled and those 65 years or older, with the term of the lease to be equal to the number of years the tenant has resided in his/her unit. [Sec. 10-3.370 (c) 1.]

Staff is also recommending that consideration be given to requiring that leases involving the elderly and disabled contain a provision for relocation assistance upon vacating the unit, similar to that offered initially to other tenants in conversion situations.

5. Assistance to Tenant Purchasers

The current ordinance adopted in 1995 requires subdividers to provide financial assistance to tenant purchasers in the amount of \$1,000 per household toward down payment or closing costs. The proposed ordinance would require subdividers to provide reimbursement for costs incurred as a result of temporary displacement during remodeling. Also, the ordinance would require the subdivider to offer a reduction in the initial offer price of a market-rate unit by 10 percent for tenants wishing to purchase their own unit and a 5 percent reduction for tenants wishing to purchase a different unit in the same complex. The rights for such reduction would be valid for not less than 90 days from receipt of notice a final map has been recorded. [Sec. 10-3.370 (c) 3.]

In addition to these provisions, qualifying tenants could be eligible to purchase a unit under the City's Inclusionary Housing Ordinance, which requires that 15% of the units in ownership projects be affordable to moderate-income households.

6. City Oversight of Applications to Convert Residential Rental Complexes to Ownership Housing

The proposed ordinance would require Site Plan Review for all conversion applications to insure compliance with the City policies, design standards, and ordinances. Site Plan Review would provide an opportunity to insure that aesthetic issues and common area maintenance would be addressed. These issues may include landscaping, paving, painting the exterior of the buildings, group usable open space, and architectural enhancements such as window trim, canopies, Juliette balconies, pot sills, new entry doors, etc.

The site plan review process could run consecutively with the application to convert the rental properties to ownership housing. The current ordinance does not contain this provision. [Sec. 10-3.375 (a)]

7. Condition of Buildings

The current ordinance is non-specific about what standards should be met in order to offer buildings for sale. For example, the current ordinance requires a random sample of the units to determine if they would be eligible for issuance of Certificates of Occupancy based on the building code in effect at the time of inspection. It could be very onerous for many older

rental complexes to meet a standard requiring that the current building code be met. For example, meeting the current building code could result in lowering most of the windows in buildings and modifying floors, ceilings and walls for noise attenuation purposes.

Although an inspection is required, in part, to determine the presence of dry rot or damage due to pests, the proposed ordinance contains proscriptive upgrades for structural, electrical, plumbing noise, and fire safety systems. Two important items specifically mentioned relate to structural upgrade of any soft-story conditions in buildings to be converted, as well as structural integrity of exterior balconies. An important fire/life-safety requirement is to have all smoke detectors hard-wired, but installation of sprinklers is not required. These provisions are intended to provide for the health and safety of the residents without requiring significant and costly modifications to buildings simply in order to meet the most current building code.

Regarding energy efficiency, and in response to a comment made at the joint work session, the proposed ordinance was revised from the work session version to indicate that furnaces/heating sources be required to have an energy efficiency rating of at least five percent above minimum requirements.

Regarding water meters, there was a suggestion at the joint work session to require that each dwelling unit have its own separate water meter. It was pointed out that if not separately metered, some who practice water conservation would be subsidizing those who do not conserve or subsidizing larger households. The proposed ordinance does require that all plumbing fixtures, including toilets, be of a water-conserving design and that irrigation systems be on separate meters. The current recommendation is to require individual water meters for units unless this is not feasible as determined by the Public Works Director. [Sections 10-3.375 (d) 1. – 10-3.375 (d) 7.]

8. Density and Development Standards

The current ordinance requires that a conversion project meet the standards of the Municipal Code and General Plan, which should be interpreted to mean that parking standards, usable open space standards, density, and setback requirements would have to be met. The proposed ordinance also indicates that the requirements of the Municipal Code, which includes the Zoning Ordinance and the Off-Street Parking Regulations, must be met. In effect, no non-conforming development, i.e., having more dwelling units than currently allowed, could be converted to ownership housing. Essentially, in order to convert nonconforming rental projects to for-sale housing, the number of dwelling units in some nonconforming projects would have to be reduced. The reduction in the number of dwelling units could be achieved by combining units to create a unit with more bedrooms (3 to 4) and living space.

Some of the benefits of allowing conversions only of rental properties that are consistent with the Zoning Ordinance and the General Plan is that the resulting ownership project would meet the City's long-term goals, and the reduction of dwelling units could result in combining units to create larger units. It should be pointed out that requiring conformity

with the General Plan and Zoning Ordinance could dissuade some subdividers from converting rental housing to ownership housing.

By providing for adequate open space as currently defined in the Zoning Ordinance, new home buyers would enjoy the ability to recreate in or otherwise enjoy open space associated with their developments. If additional outdoor space is required to meet usable open space requirements and there is no other area in which to provide it, then a dwelling unit(s) may have to be eliminated, either by physically removing it or by merging it with another dwelling unit to create a single, larger unit or recreation space.

When the available parking within rental complexes does not meet the current minimum number of required parking stalls, in order to convert to ownership housing, it may be necessary to either (a) increase the number of parking stalls by encroaching into landscaped areas or (b) reduce the number of dwelling units. The benefit would be that the parking demand would be better met. An indirect benefit might be that the number of dwelling units would have to be combined, which would result in an increase in the number of larger units. [Sec. 10-3.375 and Sec. 10-3.375 (f)]

9. Ability of a Homeowners' Association (HOA) to Effectively Maintain Property

Professional property managers (Certified Community Association Managers)

The current ordinance does not require that a professional management company oversee the budgeting associated with HOAs, so that effort could be left to property owners who serve on HOA boards. The proposed ordinance would require a professional property management company to oversee the budgeting associated with HOAs when a project consists of 15 or more dwelling units. [Section 10-3.385]

Some of those in attendance at the joint work session supported a requirement that there be professional property managers for all converted complexes to at least oversee the homeowners' associations' administrative functions, such as budgeting and dealing with repairs and emergencies. Once the CC&Rs and budget of a homeowners' association are approved by the State Department of Real Estate for a residential development of five or more units (the State does not review CC&Rs for projects less than five units), it is up to the homeowners, not the State, to prepare subsequent yearly budgets and to maintain the development in accordance with the CC&Rs. There is no State oversight beyond the initial creation of the CC&Rs and initial budget. If the HOA becomes inactive and the maintenance system fails, the remedy involves a civil action between homeowners or between the HOA and the homeowner(s). While requiring all conversion complexes to have professional property managers would decrease the likelihood of such occurrences, there are issues associated with such a requirement.

Small ownership developments may not have the economies of scale to fund property management services. Such costs would be in addition to fees associated with actual property maintenance. Also, some management companies contacted by staff indicated a reluctance to serve smaller developments. Finally, such requirement would be unique for conversion projects, since such provision is not required for new developments. The current and

proposed ordinance would allow the City to abate public nuisance conditions in the common areas of ownership housing complexes when HOAs fail to do so. This ability remains in the proposed ordinance. For these reasons, staff is not recommending a change to the proposed provision that only requires property management companies for projects involving 15 or more units.

Renovation of Improvements in Common

When filing a report to the State Department of Real Estate (DRE), an applicant is required to submit inspection reports, including a pest control inspection report, by a qualified engineer or contractor or other qualified person on the condition, estimated remaining useful life and estimated cost for recommended repairs of various items of the development. Such items include foundation, roof, structural, plumbing, electrical and mechanical components, paving and swimming pools. If such requirements are not met, the DRE will insert a special note in the Subdivision Public Report dealing with the seriousness of such lack of material information, which will negatively impact the selling of the units. Additionally, all identified renovation work is required to be completed prior to recording of the condominium plan and issuance of the Final Public Report, or the subdivider must provide financial guarantees to the homeowners association to ensure renovations will be funded and specify a date for completion of such renovations. Such guarantees shall include one of the following:

- a) establishment of liens and completion bond or bonds in an amount to assure completion of the improvements lien free;
- b) all funds from the sale of lots or parcels or such portions thereof to assure construction of the improvement or improvements, to be impounded in a neutral escrow depository until the improvements have been completed and all applicable lien periods have expired;
- c) an amount sufficient to cover the costs of construction to be deposited in a neutral escrow depository under a written agreement providing for disbursements from that escrow as work is completed;
- d) if the project is a condominium situated on a single parcel as shown on an approved final subdivision map, arrange for (i) lien and completion bond or bonds in an amount sufficient to assure lien-free completion of all common area improvements not located in a residential structure, and (ii) placement of all funds, or such portions thereof, from the sales of condominium interests in a neutral escrow depository; or
- (e) Such other alternative plan as may be approved by the commissioner.

In summary, as part of State law, the subdivider is required to fund identified renovations and not pass such obligations on to HOAs.

The proposed ordinance also establishes a mechanism to help fund unexpected emergency repairs through "contingency fees." The City of Manhattan Beach requires the payment of such fees in conjunction with condominium conversions. The intent of that city in requiring the creation of a contingency or reserve fund for conversions is to provide a surety for unexpected or emergency repairs to common areas in the interest of the economic, aesthetic, and environmental maintenance of the community, as well as to protect the general welfare, public health, and safety of the community. Upon the close of escrow for each unit, the applicant is required to convey to the HOA contingency fund a minimum fee of \$200 per

dwelling unit. When 50 percent or more of the total units in the project have been sold, the applicant, within 30 days, must convey such fee for each of the unsold units. Such funds are to be used solely and exclusively as a contingency fund for emergencies which may arise relating to open space areas, exterior portions of dwelling units, and such other restoration or repairs as may be assumed by the HOA. This provision is also included in the proposed ordinance for the same reasons. [Section 10-3.377]

10. Owner-occupied units

Recognizing that converting rental units to ownership housing is a means of increasing the homeownership percentage in Hayward, the question was raised during the joint work session as to whether it is possible to require that all units be owner-occupied. Under the Inclusionary Housing Ordinance, 15 percent of the units for ownership projects must be made available to moderate income households, and these units must be owner-occupied. For those units that are not subject to the Inclusionary Housing Ordinance, California State law prohibits the imposition of any rule or regulation of an association that arbitrarily restricts an owner's ability to market his or her interest in a common interest development. Owner-occupancy restrictions could also be a disincentive to converting a rental complex to ownership housing, in which case the purpose of promoting ownership housing would be defeated. It would also be treating the conversion of rental property to ownership property differently than new ownership development, which would not have such a stipulation.

Staff contacted a local developer regarding this issue and was told that requiring owners to occupy units would be impossible to police and it would preclude purchasing condominiums for second homes or for an investment; therefore, staff is not recommending such a provision.

ENVIRONMENTAL REVIEW:

Included as Attachment D is a draft Mitigated Negative Declaration and Initial Study Checklist. No significant impacts are identified that would occur as a result of adoption of the proposed ordinance. Section XII(c) of the Initial Study Checklist related to Population and Housing has been revised slightly from that circulated for public review in mid December to recognize the potential for some displacement of renters from their units. However, given required tenant relocation assistance, the environmental impacts associated with the ordinance would be considered less than significant since the need for new housing to accommodate such displaced renters is anticipated to be minimal.

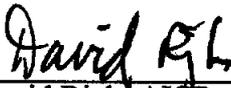
PUBLIC NOTICING:

It was suggested that the notices of the hearings on the amended conversion ordinance be sent to owners of property containing triplexes and four-plexes. In response, in addition to the notice of hearings in the local newspaper, individual notices were sent to owners of tri-plexes and four-plexes, which totaled to approximately 475 addresses. Also, during the public notice period, a response was received from Rob Simpson, a local real estate broker. Mr. Simpson writes about remodeling and its effects on tenants, issues relating to discounting the sale price for tenants, and accommodating the elderly. A copy of his e-mail is included as Attachment E.

CONCLUSION:

Crafting the attached proposed ordinance during the last several months involved consideration of various competing interests and striking a balance between them. Primary objectives include minimizing negative impacts to renters in converted complexes, ensuring converted complexes do not result in unsafe blighted developments for the community and encouraging conversions and additional ownership housing stock by not making obligations of potential subdividers overly burdensome. It is staff's opinion that the proposed ordinance strikes a fair balance in achieving the primary objectives of the conversion ordinance.

Prepared by:



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Planning Manager

Attachments:

- Attachment A: Proposed Ordinance
- Attachment B: Proposed Ordinance, Strike-Out Version (showing text changes to existing regulations)
- Attachment C: Matrix Comparing Hayward's Proposed Ordinance with Ordinances of Other East Bay Communities
- Attachment D: Negative Declaration and Environmental Checklist
- Attachment E: E-mail from Hayward Broker Rob Simpson, dated 12/21/06

1/5/07

CONVERSION OF RESIDENTIAL RENTAL DEVELOPMENTS
TO COMMON INTEREST DEVELOPMENTS

Section	Subject Matter
10-3.350	INTENT AND PURPOSE
10-3.555	DEFINITIONS
10-3.360	PARCEL MAP REQUIRED
10-3.365	TENTATIVE MAP FOR CONDOMINIUM OR COMMUNITY APARTMENTS
10-3.370	REQUIREMENTS FOR CONVERSION TO COMMON INTEREST DEVELOPMENTS
10-3.375	STANDARDS OF DEVELOPMENT
10-3.380	UTILITIES
10-3.385	ORGANIZATIONAL DOCUMENTS
10-3.392	INFORMATION TO PRECEDE FINAL MAP SUBMISSION
10-3.395	PREPARATION AND FORM OF FINAL MAP

CONVERSION OF RESIDENTIAL RENTAL PROJECTS TO
COMMON INTEREST DEVELOPMENTS

SEC. 10-3.350 INTENT AND PURPOSE. The conversion of rental units to Common Interest Developments create conditions that may result in a negative impact on the public health, safety, welfare, and economic prosperity for the City. It is the intent of the City to establish rules and standards that regulate the conversion of rental units to residential Common Interest Developments in the City in order to provide opportunities for home ownership while protecting the interests of the tenants.

Said rules and standards shall apply to the conversion of an existing multi-family rental complex consisting of three or more units to a Common Interest Development, and the conversion of an existing single-family rental complex to ownership housing. This ordinance does not apply to "second units," sometimes referred to as "granny" or "in-law" units. The conversion of industrial and commercial units shall be in accordance with the State Subdivision Map Act.

SEC. 10-3.355 DEFINITIONS. Whenever any of the following names or terms are used herein, each such name or term shall be deemed and construed to have the meaning ascribed to it as follows:

- (a) Association. The persons who own a condominium or right of exclusive occupancy in a community apartment unit.
- (b) Common Area. The entire project excepting all units therein.
- (c) Common Interest Development. A Common Interest Development means any of the following:
 - 1. A community apartment project.
 - 2. A condominium project.
 - 3. A planned development.
 - 4. A stock cooperative.
 - 5. Townhouse.
- (d) Community Apartment. An estate in real property existing of individual interest in common in a parcel of real property in the improvement, therein coupled with the right of exclusive occupancy for residential purposes of an apartment located thereon.
- (e) Community Housing. Includes the following: a condominium development, a community apartment project, and a stock cooperative or membership association. Excludes a limited equity housing cooperative as defined in section 11003.4 of the Business and Professions Code for purposes of conversion.

- (f) **Condominium Project.** A "condominium project" means a development consisting of two or more condominiums. A condominium consists of an undivided interest in common in a portion of real property coupled with a separate interest in space called a unit, the boundaries of which are described on a recorded final map, parcel map, or condominium plan in sufficient detail to locate all boundaries thereof.
- (g) **Conversion.** A change in the type of ownership of a parcel or parcels of land, together with the existing attached structures, to that defined as community housing, regardless of the present or prior use of such land or structures and whether improvements have been made or are to be made to such structures.
- (h) **Disabled Tenant.** A disabled tenant is any tenant who is on the lease or rental agreement, if any, and who has a physical impairment which substantially limits one or more of such person's major life activities, has a record of such impairment, or is regarded as having such an impairment.
- (i) **Elderly Tenant.** An elderly tenant is any tenant who is 65 years of age or older and who is on the lease or rental agreement, if any.
- (j) **Organizational Documents.** The declaration of covenants, conditions, restrictions, articles of incorporation, bylaws, and any contracts for maintenance, management or operation of all or any part of a project.
- (k) **Planned Development.** Planned Development means a development (other than a community apartment project, a condominium project, or a stock cooperative) having either or both of the following features:
 - (1) The common area is owned either by an association or in common by the owners of the separate interests who possess appurtenant rights to the beneficial use and enjoyment of the common area.
 - (2) A power exists in the association to enforce an obligation of an owner of a separate interest with respect to the beneficial use and enjoyment of the common area by means of an assessment which may become a lien upon the separate interests.
- (l) **Project.** The entire parcel of real property divided, or to be divided, into condominiums or community apartments, including all structures thereon.
- (m) **Recreational Open Space.** The open space on the project that complies with applicable provisions of the Zoning Ordinance.
- (n) **Single-Family Rental Complex.** Three or more single-family dwellings on a single parcel of land owned by a single entity.
- (o) **Stock Cooperative.** A corporation which is formed or availed primarily for the purpose of holding title to, either in fee simple or for a term of years, improved real property, if all or substantially all of the shareholders of such

corporation receive a right of exclusive occupancy in a portion of the real property, title to which is held by the corporation, which right of occupancy is transferable only concurrently with the transfer of the share or shares of stock in the corporation held by the person having such right of occupancy.

- (p) Townhouse. For purposes of this ordinance, a townhouse is one unit in a row of houses connected by common side walls. The ownership of a townhouse unit extends throughout the unit, including walls and roof and the ground upon which the unit sits. Additional land, in the form of private, attached space, may be included in ownership space of the townhouse.
- (q) Unit. The elements of a condominium that are not owned in common with the owners of other condominiums in the project, or is an apartment in a community apartment project to which the owner has a right of exclusive occupancy.

SEC. 10-3.360 PARCEL MAP REQUIRED. A parcel map is required for the conversion of three or four rental units to a Common Interest Development.

SEC. 10-3.365 TENTATIVE MAP FOR COMMON INTEREST DEVELOPMENTS. The tentative map shall contain all the information required on a tentative map for any subdivision, plus the following in order to adequately review the proposal:

- (a) The location indicated to the nearest one-half foot of the perimeter of the building or buildings in relationship to the parcel boundaries;
- (b) Estimated square footage of each unit and number of rooms in each unit;
- (c) General layout of all common areas;
- (d) General layout and location of all facilities and amenities provided within the common area for the use and enjoyment of the unit owners;
- (e) General layout of all parking spaces and driveways;
- (f) Public areas proposed for dedication, scenic easements proposed;
- (g) Tree and landscaping removal or planting proposed.

SEC. 10-3.370 REQUIREMENTS FOR CONVERSION OF MULTI-FAMILY AND SINGLE-FAMILY RENTAL PROPERTY TO COMMON INTEREST DEVELOPMENTS

- (a) Notification of Tenants and Prospective Tenants.
 1. Each notice shall be provided in both English and Spanish and in the language used in the original lease or rental agreement. At least 60 days prior to the time of the filing of an application for a tentative map for the conversion of rental units to a Common Interest Development, the subdivider shall send to each tenant of the rental units to be converted the following notice:

To the occupant(s) of

(address)

The owner(s) of this rental development at (address), plans to file an application with the City of Hayward to convert this rental development to a Common Interest Development. You shall be given notice of each hearing for which notice is required pursuant to sections 66451.3 and 66452.5 of the Government Code, and you have the right to appear and the right to be heard at any such hearing.

(signature of owner or owner's agent)

(date)

2. Commencing at a date not less than 60 days prior to the submittal of an application for a tentative map for the conversion of rental units to a Common Interest Development, the subdivider shall give notice of such application to each person applying after such date for rental of a unit of the subject property immediately prior to the acceptance of any rent or deposit from the prospective tenant by the subdivider. The notice shall be as follows:

To the prospective occupant(s) of

(address)

The owner(s) of these units at (address), has submitted an application or plans to submit an application for a tentative map with the City of Hayward to convert these units to a Common Interest Development. No units may be sold unless the conversion is approved by the City of Hayward, and until after a public report is issued by the Department of Real Estate when the conversion involves five or more dwelling units. For a three- or four-unit development, no units may be sold until the parcel map has been filed. If you become a tenant of this development, you shall be given notice of each hearing for which notice is required pursuant to sections 66451.3 and 66452.5 of the Government Code and you have the right to appear and the right to be heard at any such hearing.

(signature of owner or owner's agent)

(date)

I have received this notice on _____
(date)

(prospective tenant's signature)

Pursuant to 2. above, if the subdivider or his or her agent fails to give notice, he or she shall pay to each prospective tenant who becomes a tenant and who was entitled to such notice, and who does not purchase his or her unit pursuant to paragraph 4 of subsection (b), an amount equal to the sum of the following:

- (aa) Moving expenses in the amount of \$1,000 to be paid prior to moving.
- (bb) The equivalent of three months' rent, based on the highest rent paid by the tenant, with one-third to be paid one month prior to the move date and the other two thirds paid upon vacating the premises.

3. Within 10 days after the submittal of an application for a tentative map for the conversion of rental units to a Common Interest Development, the subdivider shall send to each tenant, and provide to each person who becomes a tenant at any time subsequent to such date, a written notice containing the following information:

- (aa) That the owner of the development in which the tenant resides has submitted an application with the City to convert the units to a Common Interest Development, the date such application was made, and if approved, that tenants will eventually be required to move unless they purchase a unit or qualify for and accept an offer of a lease as provided in this ordinance;
- (bb) That each tenant will be given at least 10 days' prior written notice by the City (at subdivider's expense) of the date, time, and place of any hearing held on the tentative map application by the Planning Commission or City Council and the availability of any staff report related to the hearing.

- (cc) That each tenant will be notified in writing of the approval of the final map approving the conversion, if it is approved, within 10 days of such action; and
 - (dd) Each tenant will receive 10 days' written notification from the subdivider that a final or parcel map has been recorded and the implications of that filing.
4. Accompanying the notices required by paragraphs 1 and 2 of subsection (a) above shall be written information describing, in general terms, what steps and actions the subdivider and others, including governmental agencies, must take in order for the units to be converted to a Common Interest Development. It shall also include information on what rights the tenants have as set forth in subsection (b) below. All documents referred to in this subsection shall be in a format approved by the Planning Director.
5. With the exception of 3 (bb) above, all notices referred to in this section shall be sent by certified mail by the subdivider.
- (b) Tenant Rights on Conversion. With regard to any conversion as defined above, each tenant shall have the following rights.
- 1. After receipt of the notice of intent to convert, each tenant will be permitted to terminate any lease or rental agreement without penalty upon written notification to the subdivider at least 30 days in advance of such termination, provided, however, that this requirement shall cease upon notice to the tenant of the abandonment of subdivider's efforts to convert the units as evidenced by formal withdrawal of the application for subdivision approval.
 - 2. If a dwelling unit is rented to tenant(s) subsequent to the submittal of an application for a tentative map, the tenant shall be advised of the owner's intent to convert the unit to a Common Interest Development. This information shall be included in each lease or rental agreement, if there is one, and the tenant's signature acknowledging receipt of this information shall be included on the lease or rental agreement. The tenant(s) shall receive all subsequent notices herein required. Tenants advised of the intent to convert and who receive all notices distributed once the tenant signs the lease shall not be eligible to receive relocation assistance.
 - 3. Notwithstanding the date of construction of the rental complex proposed for conversion, or the number of rental units or whether the units are decontrolled at the date the application for a tentative map is made, each unit shall be subject to any rent stabilization ordinances adopted by the City of Hayward from the date of notification of intent to convert until the date the unit is sold; provided, however, that this requirement shall cease upon the happening of any of the following events:

- (i) Abandonment of the subdivider's efforts to convert the development as evidenced by formal withdrawal of the application for subdivision approval;
 - (ii) Execution of leases in accordance with paragraphs 1 and 2 of subsection (c).
 - (iii) The tenant voluntarily terminates the lease or rental agreement upon 30-days written notice to the subdivider.
4. With the exception of conversion a rental complex involving three or four dwelling units, each tenant will have a right of occupancy of 180 days from the date of the receipt of a notice from the subdivider that a final map has been recorded; provided, however, that this subsection shall not alter or abridge the rights or obligations of the parties in the performance of their covenants, including but not limited to, the provision of services, payment of rent, or the obligations imposed by sections 1941, 1941.1, and 1941.2 of the Civil Code of the State. For projects involving the conversion of three or four dwelling units, each tenant will have a right of occupancy of 180 days from the date of the filing of the parcel map with the Alameda County Recorder.
5. Each tenant will have an exclusive right or option to contract for the purchase of the dwelling unit or the share controlling the dwelling unit then occupied by the tenant, or any other available unit in the development. For tenants purchasing the unit that they occupy, the subdivider shall sell the unit at the price initially offered to the general public minus 10 percent; for tenants purchasing a unit in the development other than the unit they occupy, the subdivider shall sell the unit at the price initially offered to the general public minus 5 percent. For conversion projects involving five or more dwelling units, such rights shall run for a period of not less than 90 days from receipt of a notice from the subdivider that the final map has been recorded, unless the tenant gives prior written notice of intention not to exercise that right; for projects involving three or four units, such rights shall run for a period of not less than 90 days from the date of the recordation of the parcel map. The discount is not applicable to those units that are subject to the City of Hayward Inclusionary Housing Ordinance.
6. No remodeling of the interior of tenant occupied units shall begin without consent of the tenant;
7. No tenant may be evicted without just cause.

(c) Tenant Assistance

1. Leases shall be offered to elderly and disabled tenants whose names appear on the lease or rental agreement, if any, prior to the initial

notice of intent to convert and for the unit they occupy. The leases shall be for five years or one year for every year that the elderly or disabled tenant resided within the unit, whichever is longer. For conversion of projects involving five or more units, such lease rights shall expire no earlier than 180 days from the date of receipt of notice from the subdivider that a the final map has been recorded. For conversion of projects of three or four dwelling units, such lease rights shall expire no earlier than 180 days from the date of the recording of the parcel map with the County Recorder. Leases shall include the following provisions:

- (aa) Tenants shall have the option of canceling the lease at any time upon thirty (30) days' written notice to the owner;
- (bb) Tenants cannot be evicted except for just cause;
- (cc) Right of occupancy shall be nontransferable;
- (dd) The first year's base monthly rent for the unit shall be set at no more than the rent existing on the unit at the time of the submittal of an application for a tentative map;
- (ee) Subsequent rent adjustments, if any, may be made no sooner than one year from the effective date of the lifetime lease, and shall be limited to no more than one per year, and to the annual percentage change in the U.S. Bureau of Labor Statistic's Consumer Price Index (CPI) for the San Francisco Bay Area.
- (ff) Except as provided hereinabove, terms and conditions of the lease shall be the same as those contained in tenant's current lease or rental agreement.

2. Leases of at least six months, or completion of the school year, whichever is later, shall be offered to tenants with a child or children less than 18 years of age residing with them in their unit at the time of the initial notice to convert. Eligible tenants must provide evidence of enrollment and provide the date of the end of the school year in which the student is in attendance. For conversion of projects of five or more dwelling units, such lease rights shall expire no earlier than 180 days from the date of receipt of a notice from the subdivider that a final map has been recorded and any such lease shall be subject to the same conditions as set forth above in paragraph 1 of subsection (c). For conversion of projects of three or four dwelling units, such lease rights shall expire no earlier than 180 days from the date the parcel map is recorded.

3. Assistance to Tenant-Purchasers.

- (aa) Reimbursement shall be made to tenant-purchasers for costs incurred as a result of temporary displacement during

remodeling, including but not limited to, moving expenses and differentials in rents or temporary housing charges.

(bb) A dwelling unit shall be offered for sale to tenant-purchasers at the price initially offered to the general public, minus 5 or 10 percent. For tenants purchasing the unit that they occupy, the subdivider shall sell the unit at the price initially offered to the general public minus 10 percent; for tenants purchasing a unit in the development other than the unit they occupy, the subdivider shall sell the unit at the price initially offered to the general public minus 5 percent.

4. Relocation assistance shall be provided to displaced households, who leased or rented the property at the time of the initial notice of intent to convert, in the form of:

(aa) Reimbursement of \$1000 per household 30 days in advance of moving from the subject property, except that the actual amount of moving expenses shall be paid to elderly and disabled households, up to a maximum of \$2,500.

(bb) Payment in the amount equal to three months' rent, based on the highest rent rate having been paid by the tenant, with one-third to be paid one month prior to the move date and the other two thirds paid upon vacating the premises.

(d) Tentative Map Application Requirements. In addition to the other requirements of the Subdivision Ordinance, the subdivider shall include with the tentative map application the following information:

1. One copy each of the notices and other documents to be provided to all tenants pursuant to subsection (a);

2. Evidence that the tenant assistance requirements are being met.

3. A renter profile listing the names and addresses of current tenants listed on a lease or rental agreement, if any; length of tenancy; and the number of tenants in the project in the following categories:

- (i) Elderly, being any person who is 65 years of age or older;
- (ii) Disabled, being any person who has a physical impairment which substantially limits one or more of such person's major life activities, has a record of such impairment, or is regarded as having such an impairment;
- (iii) Family households, having as members of the household children who are under 18 years of age.

4. A report describing the condition of and estimating the remaining

useful life of the following elements: roof, exterior painting, paved surfaces, central or community heating and air conditioning systems, hot water heaters, and where they are reasonably accessible for inspection, other electrical, plumbing, and mechanical equipment; said report to be prepared by a contractor or engineer who is licensed in the element being reviewed;

5. All information necessary to complete an application to meet the requirements of the City's Inclusionary Housing Ordinance.

(e) Requirements for Approval of Tentative Maps. No tentative map for the conversion of rental housing units to a Common Interest Development shall be approved unless the following findings are made:

1. The project is consistent with the housing goals and policies of the City of Hayward General Plan;
2. The project is suitable for conversion to a Common Interest Development as determined by a review of its physical characteristics, including those reports as required by Section 10-3.375;
3. Tenant Assistance is provided in accordance with subsection (c) of Section 10-3.370.

(f) Information to be Filed with Final Map or prior to filing of the Parcel Map. In addition to the other requirements of the Subdivision Ordinance, the subdivider shall include with the Final Map or prior to the filing of the Parcel Map the following information:

1. For projects involving five or more dwelling units, one copy of the application for a Public Report filed by the subdivider with the State Department of Real Estate;
2. The proposed organizational documents, including the declaration of covenants, conditions, and restrictions, the proposed sales price of each unit, and the estimated homeowner association dues.
3. One copy of notices to tenants required by section 66427.1 of the Subdivision Map Act together with evidence of each tenant's receipt of same;
4. Evidence that tenant assistance is being carried out in accordance with subsection (c);
5. One copy of each document described in paragraphs (d) of Section 10-3.370 as approved with the tentative map;

(g) Requirements for Approval of Final Maps and Filing of Parcel Maps. No final map for the conversion of rental housing units to a Common Interest

Development shall be approved and no parcel map shall be filed unless the following findings are made:

1. For final maps, the final map is in substantial conformance with the tentative map;
 2. Each tenant has been or will be given notification as described in subsections (a) and (b) of Section 10-3.370;
 3. Each dwelling unit in the project has been or will be issued a Certificate of Occupancy by the Building Official prior to initial sale of the unit;
 4. Each prospective buyer has been or will be given a copy of each report described in paragraphs 4 of subsection (d) as approved with the tentative map.
- (h) Notice of Subdivision Public Report. Upon receipt of the subdivision public report, the subdivider shall notify, in writing, the Planning Director and each tenant in the rental complex to be converted of the date of issuance of said report, such notification to be accompanied by a copy of a report detailing how tenant assistance is being provided in accordance with subsection (c) and approved with the final map, and copies of notices required by paragraphs 3, 4, and 5 of subsection (b). Where no subdivision public report is required, notification shall occur 60 days prior to offering the first dwelling unit for sale.

SEC. 10-3.375 STANDARDS OF DEVELOPMENT. Except as herein provided, standards in the Municipal Code and the General Plan shall apply, and the standards for improvements within the common area shall be those expressed as conditions to approval of the tentative map and the Site Plan Review approval documents.

- (a) Site Plan Review shall be required and an application submitted therefore with every application for a tentative map for conversion of a rental complex to ownership housing.
- (b) Parking shall be provided in accordance with the City of Hayward Off-Street Parking Regulations in effect at the time the application to convert to ownership housing is deemed complete.
- (c) Prior to sale of units, the applicant shall be responsible for the physical conditions within individual units and common areas. Verification of the integrity of the building(s) shall be included in a report which indicates that the following issues indicated will be adequately addressed and remedied prior to sale of units. In addition, minimum standards will be met that are outlined below, and verification must be provided to the City Planning Director prior to approval of the final map.
- (d) Building Condition:
 1. The applicant shall submit a report by a licensed civil or structural engineer addressing structural issues with the building(s). This report shall include recommendation for correction of any structural

deficiencies, which shall be remedied prior to close of escrow of each unit. Such issues shall include, but not be limited to:

- (aa) Soft story conditions, as defined in Chapter A4 of the latest edition of the International Existing Building Code.
 - (bb) Lateral movement at walls with garage door openings.
 - (cc) Structural integrity of exterior balconies and their supporting members.
 - (dd) Seismic sufficiency of conditions at sub-floor areas including:
 - i. condition of foundation.
 - ii. attachment of mudsill to foundation.
 - iii. attachment of floor joists to sub-floor area cripple walls.
 - iv. plywood shear walls at corners of sub-floor area.
 - v. Sub-floor ventilation.
2. The applicant shall provide a report by a licensed pest control company. Any work listed on the report shall be completed and cleared by the pest control company prior to occupancy.
3. Fire/Life Safety:
- (aa) A fire alarm system shall be required per the current California Fire Code and NFPA 72. The Fire Alarm system shall be zoned and have an on-site annunciator panel that will identify the specific fire alarm device that is activated and its specific location. The fire alarm system will be required to have a local alarm and also be supervised by an approved and listed central station monitoring company. All dwelling units shall be required to have hard-wired single station [hard wired with battery (back-up) smoke detectors]. These single station smoke detectors shall not be interconnected with the fire alarm system.
 - (bb) Doors from individual dwelling units opening into an interior corridor shall be part of a listed assembly with a minimum 20-minute fire rating.
4. Electrical:
- (aa) Each unit greater than 900 square feet shall have an electrical service rated at 100 amps minimum. Each unit less than 900 square feet shall have an electrical service rated at 60 amps minimum.
 - (bb) Electrical circuits and outlets at kitchen and bathroom shall meet current electrical code minimums.
 - (cc) All bathroom outlets and all kitchen countertop outlets within 6 feet of a sink shall be GFCI protected.

- (dd) Any new bedroom circuits shall be ARC fault protected.
- (ee) Each kitchen shall have two separate circuits for small appliances.
- (ff) All circuits, panels and metallic water lines shall be effectively grounded: gas lines shall be bonded to the grounding electrode system.

5. Energy:

- (aa) Furnace/heat source shall have an annual fuel utilization efficiency of at least five percent above minimum efficiency rating standards.
- (bb) All windows within each unit shall be double-paned.
- (cc) All electrical outlets on exterior walls shall have foam gaskets.
- (dd) Install programmable thermostats for all heaters and furnaces.
- (ee) All exterior doors shall be tight fitting and have weather stripping.
- (ff) All plumbing fixtures, including toilets, shall be of water conserving design per the latest California Plumbing Code requirements.

6. Separation of Units and Sound Control:

- (aa) Draft stops shall be installed in attics in line with walls separating units from each other and from corridors, laundry rooms and other jointly used spaces.
- (bb) Sound transmission control shall be in place: provide results of on-site testing showing how State standards will be met or provide gypsum board sheathing mounted on channel on one side of tenant separation walls.
- (cc) Area separation walls that were part of the original construction shall be checked for integrity.

7. Accessibility. Accessibility for persons with disabilities shall be provided in all public areas to the maximum extent feasible. Some of the items to be addressed are:

- (aa) Main entry to each building shall be accessible.
- (bb) An accessible route of travel connecting all accessible elements and common use spaces of a building shall be provided.
- (cc) If visitor parking is provided accessible parking per California Title 24 shall be provided.
- (dd) Where structural or site conditions preclude installation of an accessibility measure, the applicant may apply to the Building Official for a hardship exemption for the specific element under consideration.

- (e) Laundry facilities shall be provided within each converted rental complex, either communally or within individual dwelling units.
- (f) Rental projects that do not conform to the density specified by the Zoning Ordinance shall not be converted to a Common Interest Development unless the conversion would result in eliminating the non-conforming status of the project related to density.

SEC. 10-3.376 CONDITION OF EQUIPMENT AND APPLIANCES. For projects involving five or more dwelling units, at such time as the homeowners' association takes over the management of the project, the applicant shall provide a one-year warranty to the association that any pool and/or spa and pool and/or spa equipment (filter, pumps, and chlorinator) and any appliances and mechanical equipment to be owned in common by the association is in operable working condition. The plumbing and electrical systems in both the dwellings and the common ownership areas shall also be covered by a one-year warranty for proper and safe operation and installation in a safe and workmanlike manner. Such warranty shall be offered by an independent homeowner's warranty service licensed by the California Insurance Commission. For projects involving three or four dwelling units, the warranty shall be provided upon close of escrow of the first dwelling unit.

SEC. 10- 3.377 CONTINGENCY FEES. The intent of the City in requiring the creation of a contingency or reserve fund for conversions is to provide a surety for unexpected or emergency repairs to common areas in the interest of the economic, aesthetic, and environmental maintenance of the community, as well as to protect the general welfare, public health, and safety of the community. Upon the close of escrow for each unit, the applicant shall convey to the homeowners' association contingency fund a minimum fee of \$200 per dwelling unit. When 50 percent or more of the total units in the project have been sold, the applicant, within 30 days, shall convey such fee for each of the unsold units. Such funds shall be used solely and exclusively as a contingency fund for emergencies which may arise relating to open space areas, exterior portions of dwelling units, and such other restoration or repairs as may be assumed by the homeowners' association.

SEC. 10-3.380 UTILITIES. Each unit shall be individually metered for electricity. Where natural gas is provided to a unit, the unit shall be individually metered for natural gas. Individual water meters shall be installed where feasible, as determined by the Public Works Director. If individual units are not metered, then individual buildings shall be metered. Separate water meters shall be provided for irrigation.

SEC. 10-3.385 ORGANIZATIONAL DOCUMENTS. For all projects, there shall be required covenants, conditions and restrictions (CC&Rs), and the formation of an association or corporation for the purpose of managing and maintaining the project. For Common Interest Developments of 15 or more units, a professional property management company, licensed within the State of California, shall oversee the homeowners' association, including budgeting, accounting, and providing for property maintenance.

The CC&Rs shall state that the City of Hayward has the right to abate public nuisance conditions in the common area if the association or corporation fails to do so, and to assess the cost to the association, corporation or individual unit owners. If there is no "Board" that serves an HOA, the provisions herein shall apply to the home owners collectively. In order to accomplish this, the CC&Rs shall contain the following typical statements:

In the event the Board fails to maintain the exterior portions of the common area so that owners, lessees, and their guest suffer, or will suffer, substantial diminution in the enjoyment, use or property value of the project, thereby impairing the health, safety, and welfare of the residents in the project, the City of Hayward, by and through its duly authorized officers and employees, shall have the right to enter upon the real property described in Exhibit "A" and to commence and complete such work as is necessary to maintain said exterior portions of the common area. The City shall enter and repair only if, after giving the Board written notice of the Board's failure to maintain the premises, the Board does not commence correction of such conditions in no more than 30 days from delivery of the notice and proceed diligently to completion. The Board agrees to pay all expenses incurred by the City of Hayward within 30 days of written demand. Upon failure by the Board to pay within said 30 days, the City of Hayward shall have the right to impose a lien for the proportionate share of such costs against each condominium or community apartment in the project.

It is understood that by the provisions hereof, the City of Hayward is not required to take any affirmative action, and any action undertaken by the City of Hayward shall be that which, in its sole discretion, it deems reasonable to protect the public health, safety, and general welfare, and to enforce it and the regulations and ordinances and other laws.

It is understood that action or inaction by the City of Hayward, under the provisions hereof, shall not constitute a waiver or relinquishment of any of its rights to seek redress for the violation of any of the provisions of these restrictions or any of the rules, regulations, and ordinances of the City, or of other laws by way of a suit in law or equity in a court of competent jurisdiction or by other action.

It is further understood that the remedies available to the City by the provision of this section or by reason of any other provisions of law shall be cumulative and not exclusive, and the maintenance of any particular remedy shall not be a bar to the maintenance of any other remedy. In this connection it is understood and agreed that the failure by the Board to maintain the exterior portion of the common area shall be deemed to be a public nuisance, and the City of Hayward shall have the right to abate said condition, assess the costs thereof and cause the collection of said assessments to be made on the tax roll in the manner provided by Chapter 4, Article 1, of the Hayward Municipal Code or any other applicable law.

The City Council of the City of Hayward may, at any time, relinquish its rights and interest in the project as herein set forth by appropriate resolution. Any such relinquishment by the City Council shall be effective on the date that the resolution is adopted and a copy thereof is placed in the United States mail, postage prepaid, addressed to the Board. The Board shall execute and record a declaration reflecting such relinquishment within 10 days of receipt of a copy of the resolution.

The above five paragraphs cannot be amended or terminated without the consent of the Hayward City Council.

SEC. 10-3.392 INFORMATION TO PRECEDE FINAL MAP SUBMISSION. The following information shall be submitted for review prior to submittal of the final map.

- (a) Copy of applicant's proposed application for subdivision permit, in the event a permit is required, from the California State Department of Real Estate;
- (b) Proposed sale price of each unit;
- (c) A report describing the manner in which the terms of the declaration of restrictions will guarantee responsible maintenance and repair of the common areas, notwithstanding the escalation of costs, emergency maintenance repairs, and the replacement of major mechanical and electrical equipment;
- (d) A copy of notices to tenants required by section 66427.1 of the Subdivision Map Act together with evidence of each tenant's receipt of same.

SEC. 10-3.395 PREPARATION AND FORM OF FINAL MAP. Where five or more dwelling units within a rental complex are being converted to a Common Interest Development, a final map will be required. In addition to the other requirements for a certificate sheet, the title shall contain in bold letters an indication that this is a Common Interest Development, and specify the number of units.

1/5/07

CONVERSION OF RESIDENTIAL RENTAL DEVELOPMENTS
TO COMMON INTEREST DEVELOPMENTS CONDOMINIUM, COMMUNITY
APARTMENT, AND STOCK COOPERATIVE SUBDIVISIONS

Section	Subject Matter
10-3.350	INTENT AND PURPOSE
10-3.555	DEFINITIONS
10-3.360	PARCEL MAP NOT REQUIRED
10-3.365	TENTATIVE MAP FOR CONDOMINIUM OR COMMUNITY APARTMENTS
10-3.370	ADDITIONAL REQUIREMENTS FOR CONVERSION TO CONDOMINIUMS, COMMUNITY APARTMENTS, OR STOCK COOPERATIVES <u>COMMON INTEREST DEVELOPMENTS</u>
10-3.375	STANDARDS OF DEVELOPMENT
10-3.380	UTILITIES
10-3.385	ORGANIZATIONAL DOCUMENTS
10-3.392	INFORMATION TO PRECEDE FINAL MAP SUBMISSION
10-3.395	PREPARATION AND FORM OF FINAL MAP

CONVERSION OF RESIDENTIAL RENTAL PROJECTS
TO COMMON INTEREST DEVELOPMENTS
CONDOMINIUM, COMMUNITY APARTMENT,
AND STOCK COOPERATIVE SUBDIVISIONS

SEC. 10-3.350 INTENT AND PURPOSE. ~~The conversion of rental units to Common Interest Developments, Condominium, community apartment, or stock cooperative subdivision projects create conditions that may result in a negative impact on the public health, safety, welfare, and economic prosperity for the City. The unique status of the ownership and management of these projects tend to magnify the effects associated with higher urban densities to the point where they may lead to conditions of mismanagement, neglect and blight that impact upon the public health, safety, welfare and economic prosperity of the City of Hayward. It is the intent of the City to treat such projects differently from other types of multi-family dwellings, industrial or commercial uses, and to establish rules and standards that regulate the construction of and conversion of rental units to residential Common Interest Developments, condominiums or community apartments in the City in order to provide opportunities for home ownership while protecting the interests of the tenants.~~

~~Said rules and standards shall apply to a subdivision initially created condominium units, community apartments, or stock cooperatives; the conversion of an existing multi-family rental complex consisting of three or more units to a Common Interest Development, condominium, community apartment, or stock cooperative, and the conversion of an existing single-family rental complex to ownership housing; and the conversion of an existing industrial or commercial building to a condominium, or stock cooperative. This ordinance does not apply to "second units," sometimes referred to as "granny" or "in-law" units. The conversion of industrial and commercial units shall be in accordance with the State Subdivision Map Act.~~

SEC. 10-3.355 DEFINITIONS. Whenever any of the following names or terms are used herein, each such name or term shall be deemed and construed to have the meaning ascribed to it as follows:

- (a) Association. The persons who own a condominium or right of exclusive occupancy in a community apartment unit.
- (b) Common Area. The entire project excepting all units therein.
- (c) Common Interest Development. A Common Interest Development means any of the following:
 - 1. A community apartment project.
 - 2. A condominium project.
 - 3. A planned development.
 - 4. A stock cooperative.
 - 5. Townhouse.

- (d) Community Apartment. An estate in real property existing of individual interest in common in a parcel of real property in the improvement, therein coupled with the right of exclusive occupancy for residential purposes of an apartment located thereon.
- ~~(d) Community Apartment Project. A community apartment containing two or more apartments to which there is the right of exclusive occupancy for residential purposes.~~
- (e) Community Housing. Includes the following: a condominium development, a community apartment project, and a stock cooperative or membership association. Excludes a limited equity housing cooperative as defined in section 11003.4 of the Business and Professions Code for purposes of conversion.
- (f) Condominium Project. A "condominium project" means a development consisting of two or more condominiums. A condominium consists of an undivided interest in common in a portion of real property coupled with a separate interest in space called a unit, the boundaries of which are described on a recorded final map, parcel map, or condominium plan in sufficient detail to locate all boundaries thereof. An estate in real property consisting of undivided interest in common in a portion of a parcel of real property together with a separate interest in space in a residential, industrial or commercial building on such real property, such as an apartment, office or store. A condominium may include, in addition a separate interest in other portions of real property. Such estate may, with respect to the duration of its enjoyment, be either:
1. — An estate of inheritance or perpetual estate;
 2. — An estate for life;
 3. — An estate for years, such as leasehold or subleasehold.
- (g) Conversion. A change in the type of ownership of a parcel or parcels of land, together with the existing attached structures, to that defined as community housing, regardless of the present or prior use of such land or structures and whether improvements have been made or are to be made to such structures.
- ~~(j)(h) Disabled Tenant. A disabled tenant is any tenant who is on the lease or rental agreement, if any, and who has a physical impairment which substantially limits one or more of such person's major life activities, has a record of such impairment, or is regarded as having such an impairment.~~
- (i) Elderly Tenant. An elderly tenant is any tenant who is 65 years of age or older and who is on the lease or rental agreement, if any.
- ~~(g) Condominium Project. A condominium containing two or more condominiums for residential, commercial or industrial purposes.~~

- (j) Organizational Documents. The declaration of covenants, conditions, restrictions, articles of incorporation, bylaws, and any contracts for maintenance, management or operation of all or any part of a project.
- (k) Planned Development. Planned Development means a development (other than a community apartment project, a condominium project, or a stock cooperative) having either or both of the following features:
- (1) The common area is owned either by an association or in common by the owners of the separate interests who possess appurtenant rights to the beneficial use and enjoyment of the common area.
- (2) A power exists in the association to enforce an obligation of an owner of a separate interest with respect to the beneficial use and enjoyment of the common area by means of an assessment which may become a lien upon the separate interests.
- (l) Project. The entire parcel of real property divided, or to be divided, into condominiums or community apartments, including all structures thereon.
- (m) Recreational Open Space. The open space on the project that complies with all applicable provisions of the Zoning Ordinance.
- (n) Single-Family Rental Complex. Three or more single-family dwellings on a single parcel of land owned by a single entity.
- (o) Stock Cooperative. A corporation which is formed or availed primarily for the purpose of holding title to, either in fee simple or for a term of years, improved real property, if all or substantially all of the shareholders of such corporation receive a right of exclusive occupancy in a portion of the real property, title to which is held by the corporation, which right of occupancy is ~~transferrable~~transferable only concurrently with the transfer of the share or shares of stock in the corporation held by the person having such right of occupancy.
- (p) Townhouse. For purposes of this ordinance, a townhouse is one unit in a row of houses connected by common side walls. The ownership of a townhouse unit extends throughtout the unit, including walls and roof and the ground upon which the unit sits. Additional land, in the form of private, attached space, may be included in ownership space of the townhouse.
- (q) Unit. The elements of a condominium that are not owned in common with the owners of other condominiums in the project, or is an apartment in a community apartment project to which the owner has a right of exclusive occupancy.

SEC. 10-3.360 PARCEL MAP NOT REQUIRED. ~~If Aa parcel map is required for the conversion of three or four rental units to a Common Interest Development project for a condominium, community apartment, or stock cooperative of four units or less involves only one~~

parcel, and said parcel is shown on the latest adopted county tax roll, a tentative map or a parcel map will not be required.

SEC. 10-3.365 TENTATIVE MAP FOR COMMON INTEREST DEVELOPMENTS CONDOMINIUM OR COMMUNITY APARTMENTS. The tentative map shall contain all the information required on a tentative map for any subdivision, plus the following in order to adequately review the proposal:

- (a) The location indicated to the nearest one-half foot of the perimeter of the building or buildings in relationship to the parcel boundaries;
- (b) Estimated square footage of each unit and number of rooms in each unit;
- (c) General layout of all common areas;
- (d) General layout and location of all facilities and amenities provided within the common area for the use and enjoyment of the unit owners;
- (e) General layout of all parking spaces and driveways;
- (f) Public areas proposed for dedication, scenic easements proposed; ~~land or money in lieu of land for park purposes;~~
- (g) Tree and landscaping removal or planting proposed.

SEC. 10-3.370 ADDITIONAL REQUIREMENTS FOR CONVERSION OF MULTI-FAMILY AND SINGLE-FAMILY RENTAL PROPERTY TO COMMON INTEREST DEVELOPMENTS TO CONDOMINIUMS, COMMUNITY APARTMENTS, OR STOCK COOPERATIVES.

(a) Notification of Tenants and Prospective Tenants.

1. Each notice shall be provided in both English and Spanish and in the language used in the original lease or rental agreement. At least 60 days prior to the time of the filing of an application for a tentative map for the conversion of rental units to a Common Interest Development community housing, the subdivider shall send to each tenant of the rental units building to be converted the following notice:

To the occupant(s) of

(address)

The owner(s) of this rental development building, at (address), plans to file an application with the City of Hayward to convert this rental development building to a Common Interest Development (condominium, community apartment, or stock cooperative project). You shall be

given notice of each hearing for which notice is required pursuant to sections 66451.3 and 66452.5 of the Government Code, and you have the right to appear and the right to be heard at any such hearing.

(signature of owner or owner's agent)

(date)

2. Commencing at a date not less than 60 days prior to the submittal of an application for filing of a tentative map for the conversion of rental units to a Common Interest Development ~~community housing~~, the subdivider shall give notice of such application filing to each person applying after such date for rental of a unit of the subject property immediately prior to the acceptance of any rent or deposit from the prospective tenant by the subdivider. The notice shall be as follows:

To the prospective occupant(s) of

(address)

The owner(s) of ~~this~~ these units ~~building~~, at (address), has submitted an application or plans to submit an application for filed or plans to file a tentative map with the City of Hayward to convert these units ~~this building~~ to a Common Interest Development (~~condominium, community apartment, or stock cooperative project~~). No units may be sold ~~in this building~~ unless the conversion is approved by the City of Hayward, and until after a public report is issued by the Department of Real Estate when the conversion involves five or more dwelling units. ~~For a three- or four-unit development, no units may be sold until the parcel map has been filed.~~ If you become a tenant of this development ~~building~~, you shall be given notice of each hearing for which notice is required pursuant to sections 66451.3 and 66452.5 of the Government Code and you have the right to appear and the right to be heard at any such hearing.

(signature of owner or owner's agent)

(date)

I have received this notice on _____
(date)

(prospective tenant's signature)

Pursuant to 2. above, if the Failure by a subdivider or his or her agent fails to give notice, required shall not be grounds to deny the conversion. However, if the subdivider or his or her agent fails to give notice pursuant to this section, he or she shall pay to each prospective tenant who becomes a tenant and who was entitled to such notice, and who does not purchase his or her unit pursuant to paragraph 4 of subsection (b), an amount equal to the sum of the following:

(aa) Actual Moving expenses in the amount of incurred when moving from the subject property, not to exceed \$1,000 to be paid prior to moving.;

(bb) The equivalent of three months' rent, based on the highest rent paid by the tenant, with one-third to be paid one month prior to the move date and the other two thirds paid upon vacating the premises. first month's rent on the tenant's new rental unit, if any, immediately after moving from the subject property, not to exceed \$1,000.

3. Within 10 days after the submittal of an application for filing of a tentative map for the conversion of rental units to a Common Interest Development community housing, the subdivider shall send to each tenant of the building to be converted, and provide to each person who becomes a tenant at any time subsequent to such date, a written notice containing the following information:

(aa) That the owner of the development building in which the tenant resides has submitted filed an application with the City to convert the units building to a Common Interest Development condominium, community apartment, or stock cooperative project, the date such application was made filed, and if approved, that tenants will eventually be required to move unless they purchase a unit or qualify for and accept an offer of a lease as provided in this ordinance;

(bb) That each tenant will be given at least 10 days' prior written notice by the City (at subdivider's expense) of the date, time, and place of any hearing held on the tentative map application by the Planning Commission or City Council and the availability of any staff report related to the hearing.;

(iii) That each tenant will receive a copy of the staff report on the application by mail at least three days prior to such hearing, and that each tenant has the right to appear and be heard at such hearing;

(cciv) That each tenant will be notified in writing of the approval of the final map approving the conversion, if it is approved, within 10 days of such action; and

(ddv) ~~That e~~Each tenant will receive 10 days' written notification from the subdivider that a final or parcel map has been recorded and the implications of that filing. n application for a public report will be, or has been, submitted to the Department of Real Estate, and that such report will be available on request when it has been issued.

4. Accompanying the notices required by paragraphs 1 and 2 of subsection (a) above shall be written information describing, in general terms, what steps and actions the subdivider and others, including governmental agencies, must take in order for the units building to be converted to a Common Interest Developmentecondominium or community apartment project or a stock cooperative. It shall also include information on what rights the tenants have as set forth in subsection (b) below. ~~Specifically included with this information shall be:~~All documents referred to in this subsection shall be in a format approved by the Planning Director.

(i) ~~A copy of "Tenant Rights on Conversion" as set forth in subsection (b); and~~

(ii) ~~The subdivider's proposed Tenant Assistance Plan, prepared by the subdivider in accordance with subsection~~

(e). ~~All documents referred to in this subsection shall be in a format approved by the Planning Director.~~

5. With the exception of 3 (bb) above, aAll notices referred to in this section shall be sent by certified mail by the subdivider.

(b) Tenant Rights on Conversion. With regard to any conversion as defined above, each tenant shall have the following rights.

1. After receipt of the notice of intent to convert, each tenant will be permitted to terminate any lease or rental agreement without penalty upon written notification to the subdivider at least 30 days in advance of such termination, provided, however, that this requirement shall cease upon notice to the tenant of the abandonment of subdivider's efforts to convert the units building as evidenced by formal withdrawal of the application for subdivision approval.

2. If a dwelling unit is rented to tenant(s) subsequent to the submittal of an application for a tentative map, the tenant shall be advised of the owner's intent to convert the unit to a Common Interest Development. This information shall be included in each lease or rental agreement, if there is one, and the tenant's signature acknowledging receipt of this information shall be included on the lease or rental agreement. The

tenant(s) shall receive all subsequent notices herein required. Tenants advised of the intent to convert and who receive all notices distributed once the tenant signs the lease shall not be eligible to receive relocation assistance.

3. Notwithstanding the date of construction of the rental complex buildings proposed for conversion, or the number of rental units, or whether the units are decontrolled at the date the application for a tentative map is made, each unit shall be subject to any rent stabilization ordinances adopted by the City of Hayward from the date of notification of intent to convert until the date the unit is sold; provided, however, that this requirement shall cease upon the happening of any of the following events:

- (i) Abandonment of the subdivider's efforts to convert the development building(s) as evidenced by formal withdrawal of the application for subdivision approval;
- (ii) Execution of leases in accordance with paragraphs 1 and 2 of subsection (c).
- (iii) The tenant voluntarily terminates the lease or rental agreement upon 30-days written notice to the subdivider.

43. With the exception of conversion a rental complex involving three or four dwelling units, each tenant will have a right of occupancy of 180 days from the date of the receipt of a notice from the subdivider that a final map has been recorded subdivision public report has been issued by the Department of Real Estate; provided, however, that this subsection shall not alter or abridge the rights or obligations of the parties in the performance of their covenants, including but not limited to, the provision of services, payment of rent, or the obligations imposed by sections 1941, 1941.1, and 1941.2 of the Civil Code of the State. For projects involving the conversion of three or four dwelling units, each tenant will have a right of occupancy of 180 days from the date of the filing of the parcel map with the Alameda County Recorder.;

54. Each tenant will have an exclusive right or option to contract for the purchase of the dwelling unit or the share controlling the dwelling unit then occupied by the tenant, or any other available unit in the development. For tenants purchasing the unit that they occupy, the subdivider shall sell the unit at the price initially offered to the general public minus 10 percent; for tenants purchasing a unit in the development other than the unit they occupy, the subdivider shall sell the unit at the price initially offered to the general public minus 5 percent building, upon the same or more favorable terms and conditions than those on which such unit will be initially offered to the general public. For conversion projects involving five or more

dwelling units, and that such rights shall run for a period of not less than 90 days from receipt of a notice from the subdivider that a the final map has been recorded subdivision public report has been issued by the Department of Real Estate, unless the tenant gives prior written notice of intention not to exercise that right; for projects involving three or four units, such rights shall run for a period of not less than 90 days from the date of the recordation of the parcel map. The discount is not applicable to those units that are subject to the City of Hayward Inclusionary Housing Ordinance.

65. No remodeling of the interior of tenant occupied units shall begin without consent of the tenant;

76. No tenant may be evicted without just cause.

(c) Tenant Assistance Plan. ~~The Tenant Assistance Plan is a plan proposed by the subdivider to assist tenants who were in residence at the time of notification of intent to convert in securing decent, safe, sanitary, and affordable replacement housing, either through relocation or purchase or lease of a converted unit. The subdivider shall describe those incentives and inducements that would increase the potential for, and ability of, tenants to become owners in the conversion, and shall also include actions and procedures to enable hard-to-relocate tenants to remain as tenants. The subdivider shall include all relocation and moving assistance and information to be provided to each tenant and also all steps the subdivider will take to ensure successful relocation of the tenants involved. In all cases, the Tenant Assistance Plan must meet the following minimum standards:~~

~~1. Lifetime leases shall be offered to elderly tenants and disabled tenants (as defined in paragraph 4 of subsection (d)) for the unit they occupy or, at the option of the tenant(s), for any other available unit in the project. Such lease rights shall expire no earlier than 180 days from the date of receipt of notice from the subdivider that a subdivision public report has been issued by the Department of Real Estate and such lease shall include the following conditions:~~

1. Leases shall be offered to elderly and disabled tenants whose names appear on the lease or rental agreement, if any, prior to the initial notice of intent to convert and for the unit they occupy. The leases shall be for five years or one year for every year that the elderly or disabled tenant resided within the unit, whichever is longer. For conversion of projects involving five or more units, such lease rights shall expire no earlier than 180 days from the date of receipt of notice from the subdivider that a the final map has been recorded. For conversion of projects of three or four dwelling units, such lease rights shall expire no earlier than 180 days from the date of the recording of the parcel map with the County Recorder. Leases shall include the following provisions:

- (aa) Tenants shall have the option of canceling the lease at any time upon thirty (30) days' written notice to the owner;
- (bb) Tenants cannot be evicted except for just cause;
- (cc) Right of occupancy shall be nontransferable;
- (~~dd~~iv) The first year's base monthly rent for the unit shall be set at no more than the rent existing on the unit at the time of the submittal of an application for a parcel map or filing of the tentative map or tentative parcel map;
- (~~ee~~v) Subsequent rent adjustments, if any, may be made no sooner than one year from the effective date of the lifetime lease, and shall be limited to no more than one per year, and to the annual percentage change in the U.S. Bureau of Labor Statistic's Consumer Price Index (CPI) for the San Francisco Bay Area.
- (~~ff~~vi) Except as provided hereinabove, terms and conditions of the ~~lifetime lease~~ shall be the same as those contained in tenant's current lease or rental agreement.

2. ~~Leases of at least two years~~ six months, or completion of the school year, whichever is later, shall be offered to tenants with a child or children under less than 18 years of age residing with them in for their unit or, at tenant's option on any other available unit in the project, at the time of the initial notice to convert. Eligible tenants must provide evidence of enrollment and provide the date of the end of the school year in which the student is in attendance. For conversion of projects of five or more dwelling units, sSuch lease rights shall expire no earlier than 180 days from the date of receipt of a notice from the subdivider that a final map has been recorded~~subdivision public report has been issued by the Department of Real Estate and any such lease shall be subject to the same conditions as set forth above in paragraph 1 of subsection (c). For conversion of projects of three or four dwelling units, such lease rights shall expire no earlier than 180 days from the date the parcel map is recorded.~~

3. Assistance to Tenant-Purchasers.

- (~~aa~~i) Reimbursement shall be made to tenant-purchasers for costs incurred as a result of temporary displacement during remodeling, including but not limited to, moving expenses and differentials in rents or temporary housing charges.
- (~~bb~~ii) A dwelling unit shall be offered for sale to tenant-purchasers at the price initially offered to the general public, minus 5 or 10 percent. For tenants purchasing the unit that they occupy, the subdivider shall sell the unit at the price initially offered to the

general public minus 10 percent; for tenants purchasing a unit in the development other than the unit they occupy, the subdivider shall sell the unit at the price initially offered to the general public minus 5 percent. Payment shall be made to tenant purchasers of \$1,000, which shall be applied towards the tenant purchasers' down payment and/or closing costs.

4. Relocation assistance shall be provided to displaced households, who leased or rented the property at the time of the initial notice of intent to convert, tenants in the form of:

(aa) Reimbursement of \$1000 per household 30 days in advance of moving from the subject property, except that the actual amount of moving expenses shall be paid to elderly and disabled households, up to a maximum of \$2,500. A complete current listing of vacant available replacement housing in the Hayward Planning Area which is comparable in location, size, amenities, and cost to the unit being converted and meets special needs of the household to be displaced;

(bb) Payment in the amount equal to three months' rent, based on the highest rent rate having been paid by the tenant, with one-third to be paid one month prior to the move date and the other two thirds paid upon vacating the premises. Financial assistance, including but not limited to, payment of \$1,000 (per household) 30 days in advance for moving from the subject property, except that the actual amount of moving expenses shall be paid to elderly and disabled households;

(iii) Payment of the difference in rents between another comparable rental unit, if located within a 50-mile radius, and the converted unit for a period of one year.

(d) Tentative Map Application Requirements. In addition to the other requirements of the Subdivision Ordinance, the subdivider shall include with the tentative map application the following information:

~~1.~~ Consent forms, as may be required;

~~1, 2.~~ One copy each of the notices and other documents to be provided to all tenants pursuant to subsection (a);

~~2, 3.~~ Evidence that the tenant assistance requirements are being met. A rental history consisting of a complete list of the rents for each unit in the project over the previous two years;

~~3.~~ A renter profile listing the names and addresses of current tenants listed on a lease or rental agreement, if any;⁵ length of tenancy;⁵ and the number of tenants in the project in the following categories:

- (i) Elderly, being any person who is ~~over 65~~2 years of age or older;
- (ii) Disabled, being any person who has a physical ~~or~~ mental impairment which substantially limits one or more of such person's major life activities, has a record of such impairment, or is regarded as having such an impairment;
- (iii) Family households, having as members of the household children who are under 18 years of age.
- ~~(iv) Full-time college students. Students enrolled in an institution of higher learning such as a community college, technical school, college, or university, taking at least 12 units in any given semester.~~

~~4.5. A report from the City Building Official, based on an inspection of a random sample equal to or greater than 10 percent of the total number of units, advising if the dwelling units would be eligible for issuance of Certificates of Occupancy based on the building code in effect at the time of inspection, and if ineligible, listing those deficiencies which would have to be corrected;~~

~~6. A report describing the condition of and estimating the remaining useful life of the following elements: roof, exterior painting, paved surfaces, central or community heating and air conditioning systems, hot water heaters, and where they are reasonably accessible for inspection, other electrical, plumbing, and mechanical equipment; said report to be prepared by a contractor or engineer who is licensed in the element being reviewed;~~

~~5. All information necessary to complete an application to meet the requirements of the City's Inclusionary Housing Ordinance.~~

~~7. A structural pest control report prepared by a licensed pest control operator pursuant to section 8516 of the California State Business and Professions Code;~~

~~8. A report prepared by an acoustical engineer demonstrating that wall and floor ceiling assemblies conform to the sound insulation performance criteria promulgated in Title 24, California Code of Regulations, section 1092, or its successor, and indicating whether permanent mechanical equipment, including domestic appliances, should be shock mounted, isolated from the floor and ceiling, or otherwise installed in a manner to lessen the transmission of vibration and noise.~~

- (e) Requirements for Approval of Tentative Maps. No tentative map for the conversion of rental housing units to a Common Interest Development community housing shall be approved unless the following findings are made:

1. The project is consistent with the housing goals and policies of the City of Hayward General Plan;
2. The project is suitable for conversion to a Common Interest Development community housing as determined by a review of its physical characteristics, including those reports as required by Section 10-3.375 paragraphs 5, 6, 7, and 8 of subsection (d);
3. Tenant Assistance is provided in accordance with subsection (c) of Section 10-3.370. The proposed Tenant Assistance Plan and related information required by subsection (c) and paragraphs 3 and 4 of subsection (d) is acceptable and consistent with the purposes of these regulations;
- ~~4. Sufficient replacement housing exists within the Hayward Planning Area to accommodate those tenants displaced as a direct result of the proposed conversion, as evidenced by information provided in paragraph 4(a) of subsection (e).~~

(f) Information to be Filed with Final Map or prior to filing of the Parcel Map. In addition to the other requirements of the Subdivision Ordinance, the subdivider shall include with the Final Map or prior to the filing of the Parcel Map the following information:

1. For projects involving five or more dwelling units, one copy of the application for a Public Report filed by the subdivider with the State Department of Real Estate;
2. The proposed organizational documents, including the declaration of covenants, conditions, and restrictions, the proposed sales price of each unit, and the estimated homeowner association dues.
3. One copy of notices to tenants required by section 66427.1 of the Subdivision Map Act together with evidence of each tenant's receipt of same;
4. Evidence that tenant assistance is being carried out in accordance with subsection (c); One copy of the Tenant Assistance Plan required by subsection (c) as approved with the tentative map;
5. One copy of each document described in paragraphs (d) of Section 10-3.370 5, 6, 7, and 8 of subsection (d) as approved with the tentative map;
- ~~6. A report disclosing the amount of deposit to be provided by the subdivider, and the manner in which it was calculated, to defray expenses to be incurred by the association in replacing the major mechanical and electrical equipment during the first five years.~~

(g) Requirements for Approval of Final Maps and Filing of Parcel Maps. No final map for the conversion of rental housing units to a Common Interest

Development community housing shall be approved and no parcel map shall be filed unless the following findings are made:

1. For final maps, tThe final map is in substantial conformance with the tentative map;
 2. Each tenant has been or will be given notification as described in subsections (a) and (b) of Section 10-3.370;
 3. Each dwelling unit in the project has been or will be issued a Certificate of Occupancy by the Building Official prior to initial sale of the unit;
 4. Each prospective buyer has been or will be given a copy of each report described in paragraphs 45, 6, 7, and 8 of subsection (d) as approved with the tentative map.
- (h) Notice of Subdivision Public Report. Upon receipt of the subdivision public report, the subdivider shall notify, in writing, the Planning Director and each tenant in the rental complex building to be converted of the date of issuance of said report, such notification to be accompanied by a copy of a report detailing how tenant assistance is being provided in accordance with the Tenant Assistance Plan as required by subsection (c) and approved with the final map, and copies of notices required by paragraphs 3, 4, and 5 of subsection (b). Where no subdivision public report is required, notification shall occur 60 days prior to offering the first dwelling unit for sale.

SEC. 10-3.375 STANDARDS OF DEVELOPMENT. Except as herein provided, standards in the Municipal Code Zoning Ordinance, Municipal Code, and the General Plan, including the Housing Element, if a residential subdivision, shall apply, and the standards for improvements within the common area shall be those expressed as conditions to approval of the tentative map and the Site Plan Review approval documents.

- (a) Site Plan Review shall be required and an application submitted therefore with every application for a tentative map for conversion of a rental complex to ownership housing.
- (b) Parking shall be provided in accordance with the City of Hayward Off-Street Parking Regulations in effect at the time the application to convert to ownership housing is deemed complete.
- (c) Prior to sale of units, the applicant shall be responsible for the physical conditions within individual units and common areas. Verification of the integrity of the building(s) shall be included in a report which indicates that the following issues indicated will be adequately addressed and remedied prior to sale of units. In addition, minimum standards will be met that are outlined below, and verification must be provided to the City Planning Director prior to approval of the final map.

(d) Building Condition:

1. The applicant shall submit a report by a licensed civil or structural engineer addressing structural issues with the building(s). This report shall include recommendation for correction of any structural deficiencies, which shall be remedied prior to close of escrow of each unit. Such issues shall include, but not be limited to:

(aa) Soft story conditions, as defined in Chapter A4 of the latest edition of the International Existing Building Code.

(bb) Lateral movement at walls with garage door openings.

(cc) Structural integrity of exterior balconies and their supporting members.

(dd) Seismic sufficiency of conditions at sub-floor areas including:

i. condition of foundation.

ii. attachment of mudsill to foundation.

iii. attachment of floor joists to sub-floor area cripple walls.

iv. plywood shear walls at corners of sub-floor area.

v. Sub-floor ventilation.

2. The applicant shall provide a report by a licensed pest control company. Any work listed on the report shall be completed and cleared by the pest control company prior to occupancy.

3. Fire/Life Safety:

(aa) A fire alarm system shall be required per the current California Fire Code and NFPA 72. The Fire Alarm system shall be zoned and have an on-site annunciator panel that will identify the specific fire alarm device that is activated and its specific location. The fire alarm system will be required to have a local alarm and also be supervised by an approved and listed central station monitoring company. All dwelling units shall be required to have hard-wired single station [hard wired with battery (back-up) smoke detectors]. These single station smoke detectors shall not be interconnected with the fire alarm system.

(bb) Doors from individual dwelling units opening into an interior corridor shall be part of a listed assembly with a minimum 20-minute fire rating.

4. Electrical:

(aa) Each unit greater than 900 square feet shall have an electrical service rated at 100 amps minimum. Each unit less than 900

square feet shall have an electrical service rated at 60 amps minimum.

- (bb) Electrical circuits and outlets at kitchen and bathroom shall meet current electrical code minimums.
- (cc) All bathroom outlets and all kitchen countertop outlets within 6 feet of a sink shall be GFCI protected.
- (dd) Any new bedroom circuits shall be ARC fault protected.
- (ee) Each kitchen shall have two separate circuits for small appliances.
- (ff) All circuits, panels and metallic water lines shall be effectively grounded: gas lines shall be bonded to the grounding electrode system.

5. Energy:

- (aa) Furnace/heat source shall have an annual fuel utilization efficiency of at least five percent above minimum efficiency rating standards.
- (bb) All windows within each unit shall be double-paned.
- (cc) All electrical outlets on exterior walls shall have foam gaskets.
- (dd) Install programmable thermostats for all heaters and furnaces.
- (ee) All exterior doors shall be tight fitting and have weather stripping.
- (ff) All plumbing fixtures, including toilets, shall be of water conserving design per the latest California Plumbing Code requirements.

6. Separation of Units and Sound Control:

- (aa) Draft stops shall be installed in attics in line with walls separating units from each other and from corridors, laundry rooms and other jointly used spaces.
- (bb) Sound transmission control shall be in place: provide results of on-site testing showing how State standards will be met or provide gypsum board sheathing mounted on channel on one side of tenant separation walls.
- (cc) Area separation walls that were part of the original construction shall be checked for integrity.

7. Accessibility. Accessibility for persons with disabilities shall be provided in all public areas to the maximum extent feasible. Some of the items to be addressed are:

- (aa) Main entry to each building shall be accessible.
- (bb) An accessible route of travel connecting all accessible elements and common use spaces of a building shall be provided.

- (cc) If visitor parking is provided accessible parking per California Title 24 shall be provided.
- (dd) Where structural or site conditions preclude installation of an accessibility measure, the applicant may apply to the Building Official for a hardship exemption for the specific element under consideration.
- (e) Laundry facilities shall be provided within each converted rental complex, either communally or within individual dwelling units.
- (f) Rental projects that do not conform to the density specified by the Zoning Ordinance shall not be converted to a Common Interest Development unless the conversion would result in eliminating the non-conforming status of the project related to density.

SEC. 10-3.376 CONDITION OF EQUIPMENT AND APPLIANCES. For projects involving five or more dwelling units, at such time as the homeowners' association takes over the management of the project, the applicant shall provide a one-year warranty to the association that any pool and/or spa and pool and/or spa equipment (filter, pumps, and chlorinator) and any appliances and mechanical equipment to be owned in common by the association is in operable working condition. The plumbing and electrical systems in both the dwellings and the common ownership areas shall also be covered by a one-year warranty for proper and safe operation and installation in a safe and workmanlike manner. Such warranty shall be offered by an independent homeowner's warranty service licensed by the California Insurance Commission. For projects involving three or four dwelling units, the warranty shall be provided upon close of escrow of the first dwelling unit.

SEC. 10- 3.377 CONTINGENCY FEES. The intent of the City in requiring the creation of a contingency or reserve fund for conversions is to provide a surety for unexpected or emergency repairs to common areas in the interest of the economic, aesthetic, and environmental maintenance of the community, as well as to protect the general welfare, public health, and safety of the community. Upon the close of escrow for each unit, the applicant shall convey to the homeowners' association contingency fund a minimum fee of \$200 per dwelling unit. When 50 percent or more of the total units in the project have been sold, the applicant, within 30 days, shall convey such fee for each of the unsold units. Such funds shall be used solely and exclusively as a contingency fund for emergencies which may arise relating to open space areas, exterior portions of dwelling units, and such other restoration or repairs as may be assumed by the homeowners' association.

~~—————~~ Parking shall be provided within the boundaries of the project at no less than 1.7 spaces per dwelling unit for those projects located within one quarter mile of a transit corridor (e.g., major bus line) or within one half mile of a transit hub (e.g., BART station). Additional parking may be required where on-street parking within the street width allowed in section 10-3.505 or public transportation is inadequate, or the number of bedrooms or type of occupancy is such that additional off-street parking is necessary to minimize on-street parking impacts upon the neighborhood.

SEC. 10-3.380 UTILITIES. Each unit shall be individually metered for electricity. Where natural gas is provided to a unit, the unit shall be individually metered for natural gas. Individual water meters shall be installed where feasible, as determined by the Public Works Director. If individual units are not metered, then individual buildings shall be metered. Separate

~~water meters shall be provided for irrigation service and each unit shall have an individual lateral connection to a public sewer main. An exception to these requirements may be approved by an approving body, based on a recommendation by the City Engineer, that such individual connections are not in the best interest of the project or the City.~~

SEC. 10-3.385 ORGANIZATIONAL DOCUMENTS. ~~For all projects, there shall be required covenants, conditions and restrictions (CC&Rs), and the formation of an association or corporation for the purpose of managing and maintaining the project. For Common Interest Developments of 15 or more units, a professional property management company, licensed within the State of California, shall oversee the homeowners' association, including budgeting, accounting, and providing for property maintenance. This section shall also be applicable to residential Planned Developments (PD).~~

The CC&Rs shall state that the City of Hayward has the right to abate public nuisance conditions in the common area if the association or corporation fails to do so, and to assess the cost to the association, corporation or individual unit owners. If there is no "Board" that serves an HOA, the provisions herein shall apply to the home owners collectively. In order to accomplish this, the CC&Rs shall contain the following typical statements:-

In the event the Board fails to maintain the exterior portions of the common area so that owners, lessees, and their guest suffer, or will suffer, substantial diminution in the enjoyment, use or property value of the project, thereby impairing the health, safety, and welfare of the residents in the project, the City of Hayward, by and through its duly authorized officers and employees, shall have the right to enter upon the real property described in Exhibit "A" and to commence and complete such work as is necessary to maintain said exterior portions of the common area. The City shall enter and repair only if, after giving the Board written notice of the Board's failure to maintain the premises, the Board does not commence correction of such conditions in no more than 30 days from delivery of the notice and proceed diligently to completion. The Board agrees to pay all expenses incurred by the City of Hayward within 30 days of written demand. Upon failure by the Board to pay within said 30 days, the City of Hayward shall have the right to impose a lien for the proportionate share of such costs against each condominium or community apartment in the project.

It is understood that by the provisions hereof, the City of Hayward is not required to take any affirmative action, and any action undertaken by the City of Hayward shall be that which, in its sole discretion, it deems reasonable to protect the public health, safety, and general welfare, and to enforce it and the regulations and ordinances and other laws.

It is understood that action or inaction by the City of Hayward, under the provisions hereof, shall not constitute a waiver or relinquishment of any of its rights to seek redress for the violation of any of the provisions of these restrictions or any of the rules, regulations, and ordinances of the City, or of other laws by way of a suit in law or equity in a court of competent jurisdiction or by other action.

It is further understood that the remedies available to the City by the provision of this section or by reason of any other provisions of law shall be cumulative and not exclusive, and the maintenance of any particular remedy shall not be a bar to the maintenance of any other remedy. In this connection it is understood and agreed that the failure by the Board to maintain the exterior portion of the common area shall be deemed to be a public nuisance, and the City of Hayward shall have the right to abate said condition, assess the costs thereof and cause the collection of said assessments to be made on the tax roll in the manner provided by Chapter 4, Article 1, of the Hayward Municipal Code or any other applicable law.

The City Council of the City of Hayward may, at any time, relinquish its rights and interest in the project as herein set forth by appropriate resolution. Any such relinquishment by the City Council shall be effective on the date that the resolution is adopted and a copy thereof is placed in the United States mail, postage prepaid, addressed to the Board. The Board shall execute and record a declaration reflecting such relinquishment within 10 days of receipt of a copy of the resolution.

The above five paragraphs cannot be amended or terminated without the consent of the Hayward City Council.

SEC. 10-3.392 INFORMATION TO PRECEDE FINAL MAP SUBMISSION. The following information shall be submitted for review prior to submittal of the final map.

- (a) Copy of applicant's proposed application for subdivision permit, in the event a permit is required, from the California State Department of Real Estate;
- (b) Proposed sale price of each unit;
- (c) A report describing the manner in which the terms of the declaration of restrictions will guarantee responsible maintenance and repair of the common areas, notwithstanding the escalation of costs, emergency maintenance repairs, and the replacement of major mechanical and electrical equipment;
- (d) A copy of notices to tenants required by section 66427.1 of the Subdivision Map Act together with evidence of each tenant's receipt of same.

SEC. 10-3.395 PREPARATION AND FORM OF FINAL MAP. Where five or more dwelling units within a rental complex ~~condominiums or community apartments~~ are being converted to a Common Interest Development, ~~reared,~~ a final map will be required. In addition to the other requirements for a certificate sheet, the title shall contain in bold letters an indication that this is a Common Interest Development ~~condominium, a community apartment, or a stock cooperative subdivision~~, and specify the number of units.

PROVISION	HAYWARD (PROPOSED)	FREMONT	UNION CITY	DUBLIN	SAN LEANDRO
Accommodating Seniors	5-year lease or one-year lease per year of tenancy, whichever is longer.	Up to 5-year lease or 5 months' rent for seniors having resided on premises 2 years or more.	Replacement housing must be shown to meet special needs of displaced seniors, which are presently provided in the project to be converted.	Treated like other tenants.	Lifetime lease.
Accommodating the Disabled	5-year lease or one-year lease per year of tenancy, whichever is longer.		Replacement housing must be shown to meet special needs of disabled tenants, which are presently provided in the project to be converted.	Payment equivalent to 3 months' rent.	Lifetime lease.
Accommodating Families with Students	6-month lease or until end of school year, whichever is later.		Replacement housing must be shown to meet special needs of families with children, which are presently provided in the project to be converted.		12 months' relocation time.
Tenant Relocation Assistance	\$1000 plus amount equal to 3 months' rent (one month rent due 30 days prior to moving; two months' rent due upon vacating premises).	Amount equal to 3 month's rent for tenants having resided in unit for one year, within 5 days of vacating premises.	Relocation/ displacement plan showing sufficient replacement housing is available in Union City market area.	Tenant Relocation Assistance Plan.	Amount equal to 3 month's rent, When tenant moves prior to City approval of the use permit, eligibility to receive moving expenses is forfeited.
Tenant Purchasers	First right to purchase; 10% discount on their own unit; 5% discount on another unit in complex.	First right to purchase; 5% discount; may result in reduced interior improvements. Tenants must have lived there 2 years to qualify.	First right to purchase at price no greater than offered to the general public.	First right to purchase at price offered to general public or better.	First right to purchase unit occupied at a discount of the price offered to the general public. Amount of discount based on longevity of tenant.
Cap of Number to Be Converted	None.	100 units per year.	No conversions if it would result in ratio of multifamily rental units to all residential units within City to below 1:12.	Cannot exceed 7% of number of multi-family units (in developments of 21 units or more).	None.
Physical Elements	Specific applications. No blanket (e.g. UBC) Codes.	Current Building and Fire Codes, unless otherwise specified.	Current Building and Housing Codes relating to health and safety.	"Statement of repairs and improvements necessary to refurbish and restore the project to achieve a high degree of appearance, quality and safety." Must meet "current Housing Code."	Compliance with Zoning, Building, Housing, and Mechanical Codes.

PROVISION	HAYWARD (PROPOSED)	FREMONT	UNION CITY	DUBLIN	SAN LEANDRO
Noise and Vibration	Draft stops in attics, sound transmission to meet State standards or provide gypsum board sheathing on one side of walls common to other units.	Interior and exterior sound transmission standards: those in effect at the time of application.	Wall and floor/ceiling assemblies must conform to State sound insulation performance criteria. Replacement floor coverings must provide same or greater insulation qualities.	" " " " " "	Common walls and common floor ceiling between units shall be constructed to meet a sound transmission coefficient rating of 55 or higher.
Soft-Story	Meet International Existing Building Code, check lateral movement at walls with garage door openings; seismic sufficiency at sub-floor areas.	Structural retrofit of soft story buildings.		" " " " " "	Current Building Code.
Fire Protection	Fire alarm system per current Cal. Fire Code and NFPA 72 standards. Hard-wired smoke detectors.	Current Fire Code.	Current Fire Code.		A sprinkler system, fire alarm, and other fire protection devices. Current Fire Code.
Metering	Separate electric meters and separate gas meters when gas provided to units. Separate water meters unless infeasible.	Separate gas, electric and water meters.	Separate gas and electric meters, unless not practical.	Separate gas meters unless unreasonable burden. Electric meters required.	Separate gas and electric meters. A plan for the equitable sharing of communal water metering and other shared utilities shall be included in the CC&Rs.
Parking	Current parking requirements.	Current parking Requirements.	Studio: 1.5 spaces 2 bedroom: 2 spaces 3 or 4 bedroom: 2.5 spaces, plus additional off-street parking to accommodate guests.		All applicable parking requirements.
Maintenance Contribution	Upon the close of escrow for each unit, the applicant must convey to HOA contingency fund a min. of \$200 per unit. When 50% or more of the units have been sold, the applicant must convey, within 30 days, such fee for each of the unsold units.	Equal to 3 years annual maintenance costs.	Maintenance reserve fund equal to depreciated value of those portions of the project which are to be the maintenance responsibility of the HOA. Amount of fund to be equal to the age of each element divided by the overall useful life of the element multiplied by the replacement cost of the element.		Upon the close of escrow for each unit, the applicant must convey to HOA contingency fund a min. of \$200 per unit. When 50% or more of the units have been sold, the applicant must convey, within 30 days, such fee for each of the unsold units.
Rent Freeze	Units subject to rent stabilization ordinance.	6 months.		12-months.	No increase within 2 months prior to project application, nor for 2 years following application.



CITY OF HAYWARD NEGATIVE DECLARATION

Notice is hereby given that the City of Hayward finds that this project could not have a significant effect on the environment as prescribed by the California Environmental Quality Act of 1970, as amended will occur for the following proposed project:

I. PROJECT DESCRIPTION:

Text Amendment No. PL-2006-0544 - Initiated by the Planning Director –

An amendment to the City of Hayward Subdivision Ordinance, Sections 10-3.350 through Section 10-3.395 "Condominium, Community Apartment, and Stock Cooperative Subdivisions" in order to further alleviate negative impacts of the conversion of rental housing to ownership housing by requiring minimum standards for housing units to be sold individually, to ensure transition assistance for displaced renters, and to ensure the long-term upkeep of ownership residential developments.

II. FINDING PROJECT WILL NOT SIGNIFICANTLY AFFECT ENVIRONMENT:

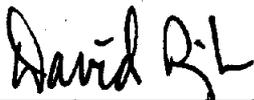
The proposed project could not have a significant effect on the environment.

FINDINGS SUPPORTING DECLARATION:

1. The proposed project has been reviewed according to the standards and requirements of the California Environmental Quality Act (CEQA) and an Initial Study Environmental/Evaluation Checklist has been prepared for the proposed project. The Initial Study has determined that the proposed project could not result in significant effects on the environment.
2. The project would not adversely affect any scenic resources or critical habitat as the text amendment would not directly lead to any development in that the proposed project would affect existing residential development only.
3. The project would not result in significant impacts related to changes in air quality in that the proposed project would affect existing residential development only.
4. The project would not result in significant impacts to biological resources such as wildlife and wetlands in that the proposed project would affect existing residential development only.

5. The project will not result in significant impacts to cultural resources including historical resources, archaeological resources, paleontological resources, unique topography or disturb human remains in that the proposed project would affect existing residential development only.
6. The project would not result in a significant impact in regard to seismic hazards as the project would not directly lead to any development and affects only existing residential development.
7. The project would not result in a significant impact to recreational facilities and parks as the project would not lead to any additional residential development.
8. The text amendment will not detrimentally affect the visual character or quality of any project site in the City of Hayward. The implementation of the proposed amendments to the Subdivision Ordinance may improve the appearance of some residential developments.
9. The text amendment is consistent with the General Plan, specifically the Housing Element, which encourages ownership housing and the preservation of housing stock; which seeks to "ensure the safety and habitability of the City's housing units and the quality of its residential areas" and which encourages "the development of ownership housing and assist tenants to become homeowners in order to reach a 70% owner-occupancy rate, within the parameters of Federal and State housing law," and which seeks to "Ensure that the City's housing stock contains an adequate number of decent and affordable units for households of all income levels." The proposed text amendment contains provisions in support of these policies.

III. PERSON WHO PREPARED INITIAL STUDY:



David Rizk, Planning Manager
Dated: January 5, 2007

IV. COPY OF INITIAL STUDY (ENVIRONMENTAL CHECKLIST) IS ATTACHED

For additional information, please contact the City of Hayward, Planning Division, 777 B Street, Hayward, CA 94541-5007, telephone (510) 583-4004 or e-mail david.rizk@hayward-ca.gov.

DISTRIBUTION/POSTING

- Provide copies to all organizations and individuals requesting it in writing.
 - Reference in all public hearing notices to be distributed 20 days in advance of initial public hearing and/or published once in Daily Review 20 days prior to hearing.
 - Project file.
 - Post immediately upon receipt at the City Clerk's Office, the Main City Hall bulletin board, and in all City library branches, and do not remove until the date after the public hearing.
- Provide copy to the Alameda County Clerk's Office.



Environmental Checklist Form

1. Project title: **Text Amendment No. PL-2006-0544**
2. Lead agency name and address:
City of Hayward, 777 B Street, Hayward, CA 94541
3. Contact person:
David Rizk, Planning Manager
(510) 583-4004
david.rizk@hayward-ca.gov
5. Project sponsor: Planning Director, City of Hayward
6. General Plan Designation: N/A 7. Zoning: N/A
8. Description of project: An amendment to the City of Hayward Subdivision Ordinance, Section 10-3.350 through Section 10-3.395 "Condominium, Community Apartment, and Stock Cooperative Subdivisions" revising certain sections in order to further alleviate negative impacts of the conversion of rental housing to ownership housing by requiring minimum standards for housing units to be sold individually, to provide for a transition for displaced renters, and to ensure the long-term upkeep of ownership residential developments.
9. Surrounding land uses and setting: City-wide.
10. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.) None

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- | | | |
|--|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology /Soils |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality | <input type="checkbox"/> Land Use / Planning |
| <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise | <input type="checkbox"/> Population / Housing |
| <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation | <input type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Utilities / Service Systems | <input type="checkbox"/> Mandatory Findings of Significance | |

DETERMINATION: On the basis of this initial evaluation:

- I find that the proposed project **COULD NOT** have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A **MITIGATED NEGATIVE DECLARATION** will be prepared.
- I find that the proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.
- I find that the proposed project **MAY** have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An **ENVIRONMENTAL IMPACT REPORT** is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or **NEGATIVE DECLARATION** pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or **NEGATIVE DECLARATION**, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

David Rizk
Signature

Date: 1/5/07

David Rizk
Printed Name

City of Hayward
Agency

ENVIRONMENTAL ISSUES:

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporation	Less Than Significant Impact	No Impact
I. AESTHETICS – Would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Comment: <i>The text amendment would not affect any scenic vista. The implementation of the proposed amendments to the Subdivision Ordinance may improve the appearance of some residential developments.</i>				
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Comment: <i>The text amendment would not affect any scenic vista in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.</i>				
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Comment: <i>The text amendment will not detrimentally affect the visual character or quality of any project site in the City of Hayward. The implementation of the proposed amendments to the Subdivision Ordinance may improve the appearance of some residential developments.</i>				

<i>Potentially Significant Impact</i>	<i>Potentially Significant Unless Mitigation Incorporation</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
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- d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

Comment: *The text amendment would not create a substantial source of light or glare in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

II. AGRICULTURE RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the text amendment:

- a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

Comment: *The text amendment would not affect farmland in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

- b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?

Comment: *See II.a) above.*

	<i>Potentially Significant Impact</i>	<i>Potentially Significant Unless Mitigation Incorporation</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
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| c) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See II.a) above.

III. AIR QUALITY -- Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the text amendment:

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Conflict with or obstruct implementation of the applicable air quality plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The text amendment would not obstruct the implementation of any air quality plan in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| b) Violate any air quality standard or contribute substantially to an existing or text amendment air quality violation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The text amendment would not negatively affect air quality in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

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| c) Result in a cumulatively considerable net increase of any criteria pollutant for which the text amendment region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: See III.b) above.

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| d) Expose sensitive receptors to substantial pollutant concentrations? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: See III.b) above.

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| e) Create objectionable odors affecting a substantial number of people? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The See III.b) above.

IV. BIOLOGICAL RESOURCES – Would the text amendment:

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: The text amendment would not adversely affect biological resources in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See IV.a) above.

- | | | | | |
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| c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: See IV.a) above.

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| d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: See IV.a) above.

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See IV.a) above.

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See IV.a) above.

V. CULTURAL RESOURCES -- Would the text amendment:

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: The text amendment will not adversely affect historical resources in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: See V.a) above.

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| c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: See V.a) above.

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| d) Disturb any human remains, including those interred outside of formal cemeteries? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See V.a) above.

VI. GEOLOGY AND SOILS -- Would the project:

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving: | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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- | | | | | |
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| i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The text amendment would not in itself expose people or structures to potential adverse effects of fault rupture in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

- | | | | | |
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| ii) Strong seismic ground shaking? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: The text amendment would not in itself expose people or structures to potential adverse effects of seismic ground shaking in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

- | | Potentially Significant Impact | Potentially Significant Unless Mitigation Incorporation | Less Than Significant Impact | No Impact |
|--|--------------------------------|---|------------------------------|-------------------------------------|
| iii) Seismic-related ground failure, including liquefaction? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: The text amendment would not in itself expose people or structures to potential adverse effects of liquefaction in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

- | | | | | |
|-----------------|--------------------------|--------------------------|--------------------------|-------------------------------------|
| iv) Landslides? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|-----------------|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The text amendment would not in itself expose people or structures to potential adverse effects of landslides in that the proposed amendments to the Subdivision Ordinance affect existing residential developments.

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| b) Result in substantial soil erosion or the loss of topsoil? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The text amendment would not in itself result in substantial erosion or the loss of topsoil in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The text amendment would not in itself affect sites on unstable soils or geologic unit in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

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| d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: *The text amendment would not in itself affect sites on unstable soils or geologic unit in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *There is a sewer and stormwater system in place in the City of Hayward. Septic tanks or alternative wastewater disposal systems are not necessary.*

VII. HAZARDS AND HAZARDOUS MATERIALS -
Would the text amendment:

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: *The text amendment would not create a need for the transport, use or disposal of hazardous materials in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

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| b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: See VII. a).

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See VII. a).

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The text amendment would not in itself involve any site included on a list of hazardous materials site in that the proposed amendments to the Subdivision Ordinance affect existing residential developments.

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| e) For a text amendment located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: This text amendment would not in itself result in a net increase in individuals living or working within two miles of a public airport or public use airport, in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporation	Less Than Significant Impact	No Impact
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f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: See VII. e).

g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: The text amendment would not interfere with any adopted emergency response or evacuation plan.

h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: The text amendment in itself would not affect any wildland site in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.

VIII. HYDROLOGY AND WATER QUALITY -- Would the text amendment:

a) Violate any water quality standards or waste discharge requirements?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: The text amendment would not lead to violation of any water quality standards or waste discharge requirements.

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| b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: *The text amendment would not result in the depletion of ground water supplies in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *The text amendment would not result in substantial erosion or siltation on-or off-site in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *The text amendment would not affect drainage patterns and would not cause flooding in that the proposed amendments to the Subdivision Ordinance affect existing residential development only.*

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| e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: *The text amendment would not have any affect on stormwater drainage in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| f) Otherwise substantially degrade water quality? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *See VIII. a).*

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *The text amendment would not create housing or any structures in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *See VIII. g).*

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *See VIII. g).*

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| j) Inundation by seiche, tsunami, or mudflow? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *The text amendment does not involve a specific location.*

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IX. LAND USE AND PLANNING - Would the project;

a) Physically divide an established community?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: *The text amendment would not result in any barriers that would divide a community in that the proposed amendments to the Subdivision Ordinance affect existing residential developments only.*

b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: *The text amendment is consistent with the General Plan, specifically the Housing Element, which encourages ownership housing and the preservation of housing stock; which seeks to "ensure the safety and habitability of the City's housing units and the quality of its residential areas" and which encourages "the development of ownership housing and assist tenants to become homeowners in order to reach a 70% owner-occupancy rate, within the parameters of Federal and State housing law," and which seeks to "Ensure that the City's housing stock contains an adequate number of decent and affordable units for households of all income levels." The proposed text amendment contains provisions in support of these policies.*

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporation	Less Than Significant Impact	No Impact
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- b) Conflict with any applicable habitat conservation plan or natural community conservation plan?

Comment: *The text amendment would not result in a physical development that would conflict with any applicable habitat conservation plan or natural community conservation plan in that the proposed amendments affects existing housing units only.*

X. MINERAL RESOURCES – Would the project:

- a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

Comment: *The text amendment would not affect mineral resources in that it is applicable to existing housing units only.*

- b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

Comment: *See X. a).*

XI. NOISE - Would the project result in:

- a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

Comment: *The text amendment would not in itself result in exposing persons to excessive noise levels in that the amendments affects only existing dwelling units.*

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| b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: *The text amendment would not, in itself, cause the exposure of persons to noise or vibration in that in that the amendment affects only existing dwelling units.*

A substantial permanent increase in ambient noise levels in the text amendment vicinity above levels existing without the project?

- | | | | |
|--------------------------|--------------------------|--------------------------|-------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *See XI. a).*

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| c) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *See XI. a).*

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| d) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *See XI.a). The project does not involve a specific site.*

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| e) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *See XI.a). The project does not involve a specific site.*

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XII. POPULATION AND HOUSING -- Would the project:

- a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

Comment: *The text amendment would not result in specific development; rather, it affects existing residential dwelling units only.*

- b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

Comment: *See XII. a).*

- c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

Comment: *See XII. a). With tenant assistance requirements, available rental units are anticipated to be sufficient to house displaced tenants. There would be no significant decrease in the number of available housing units in that the proposed ordinance affects existing dwelling units only. The proposed ordinance requires financial assistance to renters who would be vacating their units and they would be given opportunities to purchase dwelling units.*

XIII. PUBLIC SERVICES

Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporation	Less Than Significant Impact	No Impact
a) Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comment: The proposed text amendment will have no effect upon, government services, including fire and police protection, maintenance of public facilities, including roads, and in other government services in that it affects existing dwelling units only.

b) Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: See XIII. a. above.

c) Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: See XIII. a).

d) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: See XIII. a).

e) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: No other public facilities would be significantly impacted.

XIV. RECREATION --

a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: The text amendment would have no negative effect on parks or recreational facilities in that it affects existing dwelling units only.

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| b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: See XIV. a).

XV. TRANSPORTATION/TRAFFIC -- Would the project:

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: The text amendment would have no significant affect on traffic in that it affects existing dwelling units only.

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See XV. a).

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|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See XV. a).

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|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: See XV. a).

	<i>Potentially Significant Impact</i>	<i>Potentially Significant Unless Mitigation Incorporation</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Comment: *The text amendment would not affect emergency access.*

f) Result in inadequate parking capacity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: *The text amendment would not result in a significant decrease of available parking stalls within residential developments.*

g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: *The text amendment would not conflict with adopted policies supporting alternative transportation.*

XVI. UTILITIES AND SERVICE SYSTEMS - Would the project:

a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: *The text amendment would not result in an increase in wastewater in that it affects existing dwelling units only.*

b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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Comment: *See XVI. a).*

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| c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Comment: *The text amendment would not affect storm water drainage.*

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *The text amendment would have no effect on water supplies.*

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| e) Result in a determination by the wastewater treatment provider, which serves or may serve the text amendment that it has adequate capacity to serve the project's demand in addition to the provider's existing commitments? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *See XVI. a).*

- | | | | | |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|-------------------------------------|

Comment: *The text amendment would not result in an increase of solid waste in that the proposed ordinance would affect existing dwelling units only.*

- | | | | | |
|---|--------------------------|--------------------------|--------------------------|-------------------------------------|
| g) Comply with federal, state, and local statutes and regulations related to solid waste? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
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Comment: *See XVI. f).*

<i>Potentially Significant Impact</i>	<i>Potentially Significant Unless Mitigation Incorporation</i>	<i>Less Than Significant Impact</i>	<i>No Impact</i>
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XVII. MANDATORY FINDINGS OF SIGNIFICANCE --

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|--|--------------------------|--------------------------|--------------------------|-------------------------------------|
| a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a text amendment are considerable when viewed in connection with the effects of past text amendments, the effects of other current text amendments, and the effects of probable future text amendments)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

From: Rob Simpson [mailto:grandviewrealty@comcast.net]
Sent: Thursday, December 21, 2006 5:53 PM
To: 'List-Mayor-Council@hayward-ca.gov'
Subject: condo conversion ordinance

Thank you, for efforts to allow the conversion of rental complexes to ownership housing. I believe that this will greatly uplift the community and is a fantastic step forward for the city.

Based upon my review of the agenda report and attendance at the work session I would like to offer some of my observations. My thoughts are towards the mechanics of compliance.

Item 4 on page 7 of the proposed ordinance offers tenancy for 180 days after the notice of recorded final map. To obtain the final map significant remodeling may be required to comply with sec. 10-3.375 STANDARDS OF DEVELOPMENT

Item 6 on page 7 states that "No remodeling of the interior of tenant occupied units shall begin without consent of the tenant."

My concern is that a tenant withholding consent can undermine the process. If you can't remodel without tenant consent and you can't get a final map without remodeling then the entire process is at the mercy of the tenant.

All parties are also in the difficult position of remodeling with a tenant in the property which most likely would require at least temporary relocation. Tenant occupancy after map recordation and thereby after remodeling greatly complicates the tenancy and compromises the offering of newly remodeled ownership housing. An owner may need to remodel again after the 180 days. Market financing may also be problematic if ownership rates are not at least 70%

A cost effective solution may be for each tenant to have a right of occupancy of 180 days from the date of receipt of a notice from the owner to vacate, without relationship to the map recordation. So an owner can give fair notice, vacate the unit, remodel as needed, obtain the map and sell the homes, hopefully, to the previous tenant.

The 5-10% discount to former tenants can be offered in the form of down payment assistance, to increase financing options. The tenants' price can be based upon the actual Sales price of a comparable unit in the complex or, as a first right of refusal, giving the tenant the option of paying 5-10 percent less than a competitive offer. This will reduce the possibility of an owner quoting a price too high to the tenant and later selling it at market value, circumventing the ordinance.

I believe as a society we need to care for our elderly, disabled and family households. To place to great a responsibility upon a landlord for this care may result in landlords being reluctant to rent to these groups. To sell a residential property with a long term lease

typically significantly reduces the market appeal and hinders its value. It is also inconsistent with adding ownership units.

A landlord considering a conversion who has knowledge of this ordinance may not rent to seniors or other protected groups. The landlord may not consider this discrimination based upon the group but based upon the ordinance. I am afraid that this could result in the opposite effect then what is hoped for in planning, reducing options for affected groups.

Another solution may be to help these groups to own their home. One can argue that helping them own is the only help and keeping them as renters does not help them. A combination of the down payment assistance (proposed above) the city down payment assistance program and the inclusionary housing ordinance, possibly in conjunction with other programs could help these groups much more, by enabling them to own verses rent

It appears that the inclusionary housing ordinance currently functions like a lottery without respect to existing tenants. Perhaps some sort of accommodation could be made to coordinate available programs and not place a disproportionate burden upon landlords or existing tenants.

Sincerely,

Rob Simpson

Rob Simpson, Real Estate Broker

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