



CITY OF HAYWARD  
AGENDA REPORT

AGENDA DATE 06/27/00  
AGENDA ITEM 8  
WORK SESSION ITEM \_\_\_\_\_

TO: Mayor and City Council  
FROM: Director of Community and Economic Development  
SUBJECT: Adoption of Interim Moratorium Ordinance in Cannery Study Area

RECOMMENDATION:

It is recommended that the City Council introduce the attached ordinance adopting a moratorium on the approval of land use changes and building permits within the Cannery Area.

BACKGROUND:

The expansion of the original Downtown Redevelopment Plan in 1998 was based in part on findings of blighting conditions in the cannery area. The area includes a mix of residential, commercial and industrial land uses in some of the oldest structures in Hayward. The Hunt's Cannery was established in 1896 and the subdivision of the "B" Street area occurred in 1908. On most parcels in the adjacent Burbank neighborhood, the assessed value of the land exceeds the assessed value of the structure, indicating the poor condition of structures and a high susceptibility to change.

Economic pressures for development, as well as recent indications that the current industrial uses may no longer be viable in this location, have spurred the Agency to move forward with an expedited planning process for the transition of these older industrial areas (Exhibit B). Some businesses, such as the can coating operation, have indicated they may soon move or close down. Others, such as the refrigerated warehouses, have experienced staff reductions or have use permits that are scheduled to expire in the short term. Many of these uses are not compatible with adjacent residential development. Primary concerns are related to truck traffic, circulation pattern and noise. The conflicts between industrial and residential traffic on streets surrounding the area continue to present safety hazards to citizens, school children and workers alike. Noise generated by the refrigerated trucks adjacent to residential properties gives rise to citizen complaints. Given these issues, several landowners have indicated an interest in redeveloping their sites with more compatible, as well as more financially remunerative, uses.

In order to facilitate appropriate reuse of this historic area, the Council Downtown Committee has supported the development of a Cannery Area Design Concept. A recommendation to contract with an urban design firm to perform this work is on this evening's agenda. If approved by the full Council, this design concept plan will provide the basis for a reevaluation of the current development policy framework for this area. Given the significant changes in

surrounding development and economic forces that have occurred since this area was first developed, it is likely that the concept plan will suggest changes to the Zoning Ordinance and General Plan. This area is currently designated a Potential Change Area under the Growth Management Element of the General Plan, which states:

In potential change areas, and along key transit corridors, higher intensity, quality development designed to fit with non-automotive modes of travel can be supported. Mixed-use development (e.g. housing above commercial) will be promoted where appropriate to ensure a pedestrian-friendly environment that has housing, jobs, shopping, parks and recreation in close proximity.

Development of a design concept plan is an essential element in shaping the future of this historic cannery area. The inclusion of this area in the Amended Redevelopment Plan was a first step in gaining the legal and financial capacity to positively influence its revitalization. The creation of the conceptual design plan will establish the vision of how the area should change and redevelop to meet the needs of the City of Hayward in the coming decades. It will also provide guidance to the development community about the type of development that the City will support and certainty that their development will not be compromised by inappropriate or incompatible uses on adjacent parcels.

Staff has concerns, however, that the current strong economy and the dearth of adequately sized parcels for single-family subdivision construction will put increasing pressure on the larger parcels within Area 2. These larger parcels hold the key to changing the essential nature of the study area, because of their size and location. Exhibit A outlines the area of greatest concern. Currently, this area lacks adequate circulation, its industrial uses are incompatible with the surrounding residential uses, its structures are nearing the end of their useful life, and the parcel configurations are obsolete. Given the fragmented ownership pattern, it is not likely that the private sector alone would be able to create the kind of vibrant, mixed-use development opportunities that could be created through a comprehensive plan for the land. Should one owner find it advantageous to apply for development entitlements, the ability to properly plan for the entire area could be seriously compromised.

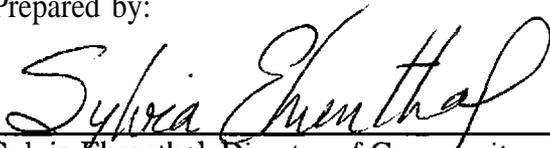
Consequently, staff believes that it would be prudent for City Council to establish a moratorium on land use approvals and issuance of most building permits. The City has the power to adopt, as an urgency measure, an interim moratorium ordinance prohibiting any uses in a zone for a period of 45 days. After the requisite public hearing, the Council may extend the interim ordinance for up to 10 months and 15 days. There is also case law supporting the imposition of an urgency moratorium on the issuance of building permits pending the adoption of a comprehensive zoning or redevelopment plan. A moratorium of this short duration would have limited impact on property owners in the short run and significant benefits in the long run, providing the security that the entire cannery area would be revitalized to its highest and best use.

Therefore, staff recommends that the Council adopt an urgency measure this evening placing a 45-day moratorium on land use approvals and issuance of building permits within the area delineated in Exhibit A. The sole exception to this moratorium would be for building permits for

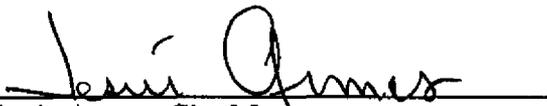
single-family homes in which the valuation of the permit does not exceed twenty-five percent (25%) of the assessed value of the home.

The law provides that such an urgency measure requires a four-fifths vote of the Council, but does not require notice or a public hearing. Such notice and public hearing would be provided should the Council agree to extend the moratorium. If the Council adopted the urgency measure this evening, the 45-day period would fall within the normal August break. Consequently, staff is proposing to bring any extension back for consideration at the last meeting before the August break on July 25, 2000. At that time, Council would be provided a more complete report on the need to extend the moratorium and on any changes in its scope or duration that may be appropriate. As Council is aware, the proposed timeline for the design concept plan envisions it being complete in approximately six months. Even considering the need to draft and hold hearings on any policy document or ordinance changes subsequently, it is unlikely that this process will require the full term of the extension.

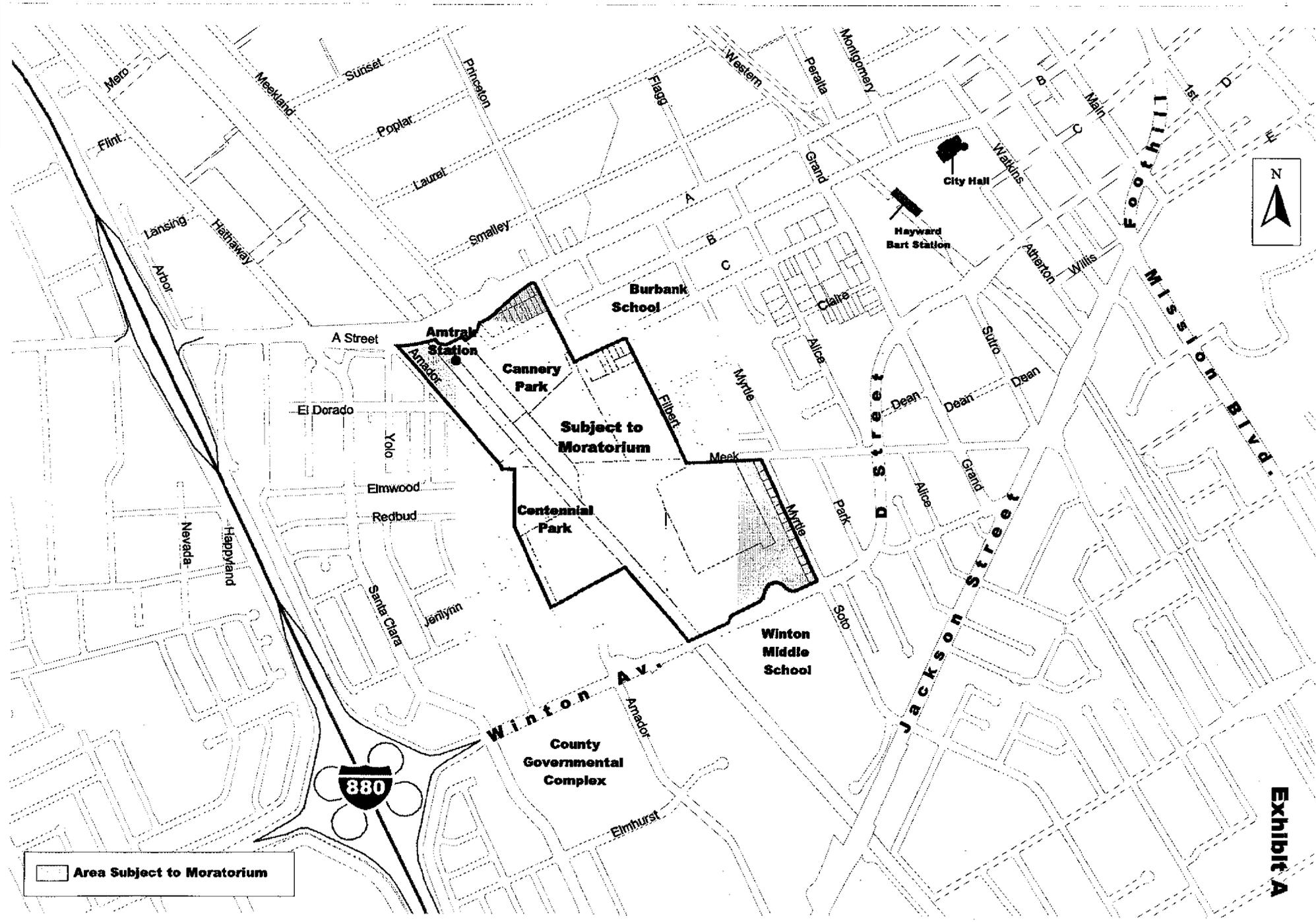
Prepared by:

  
Sylvia Ehrenthal, Director of Community  
and Economic Development

Approved by:

  
Jesús Armas, City Manager

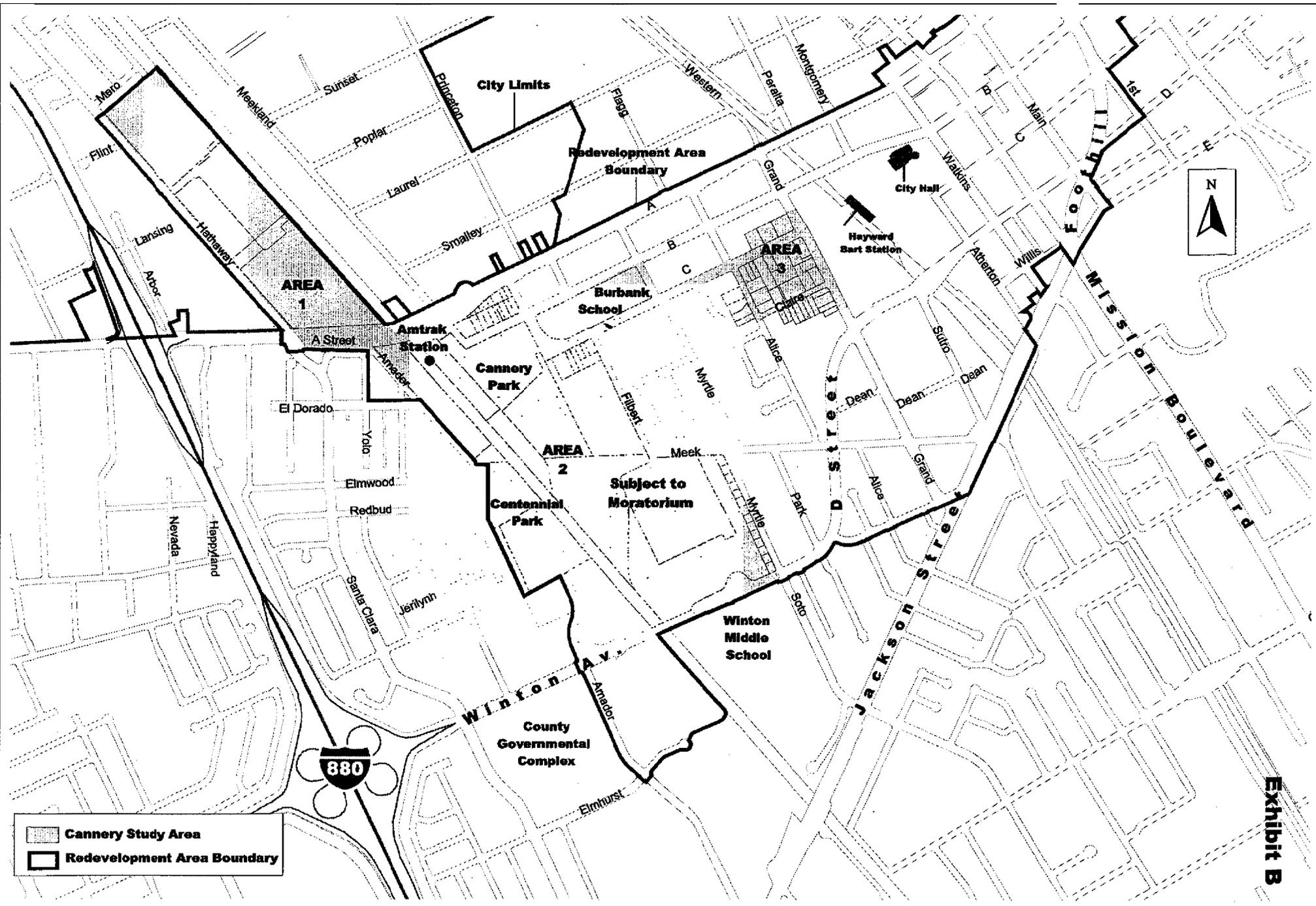
Attachments: Exhibit A - Proposed Moratorium Area  
Exhibit B – Cannery Study Area  
Draft Ordinance



# Proposed Moratorium Area



Exhibit A



# Cannery Study Area



Exhibit B

ORDINANCE NO. \_\_\_\_\_

AN EMERGENCY ORDINANCE ADOPTING A 45-DAY  
MORATORIUM ON THE ISSUANCE OF USE PERMITS,  
VARIANCES, BUILDING PERMITS AND OTHER LAND  
USE APPROVALS WITHIN DELINEATED SECTIONS OF  
THE CANNERY AREA

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. This interim ordinance is adopted pursuant to the provisions set forth in Government Code section 65858 and imposes a **45-day** moratorium on the issuance of use permits; variances; building permits for any new structure, or existing commercial or industrial structure; building permits for improvement of any existing residence in excess of 25 percent of the value of the residence; and any other land use approval. This moratorium shall apply only to those properties located in the area of the Cannery district delineated in the map attached as Exhibit "A" hereto.

Section 2. The adoption of the **45-day** moratorium in said area of the Cannery district on the issuance of use permits; variances; building permits for any new structure or existing commercial or industrial structure; building permits for any improvement on an existing residence in excess of 25 percent of the assessed value of the residence; and other land use approvals is necessary because there is a current and immediate threat to the public health, safety and welfare and the approval of additional subdivisions, use permits, variances, building permits, or any other applicable entitlement for use which is required to comply with a zoning ordinance would result in that threat to public health, safety or welfare. The affected area in the Cannery district was annexed to the City's original Downtown Redevelopment Area in 1998 based on conditions of blight that existed in the area. The structures in the affected area are some of the oldest in the City and, for many properties in the affected area, the assessed value of the land exceeds the value of the structure. The affected area contains a mix of industrial, residential and commercial uses, and the uses are no longer compatible. There are significant issues relating to commercial vehicular traffic, circulation pattern and noise. The conflicts between industrial and residential traffic presents safety hazards to citizens, school children and workers. Noise generated by commercial vehicles jeopardizes the health, safety and welfare of the residents of the affected area. The affected area currently lacks adequate circulation; its industrial uses are **incompatible** with its residential uses; its structures are nearing the end of their useful life; and the parcel configurations are obsolete.

The City is in the process of developing a comprehensive design concept plan for the affected area. The City envisions a mixed use residential/commercial district in the affected area that complements the revitalization of the City's Downtown area. The City seeks to strengthen the link between the Amtrak station on the western side of the Cannery district and the Downtown Hayward BART station on the eastern side of the Cannery district, thereby

encouraging more transit-oriented development. Economic pressures for residential and retail development, as well as recent indications that the current industrial uses may no longer be viable **in** this location, have created an immediate need to proceed with an expedited planning process for transition of the affected area. In view of the concrete opportunities for development in the short-term, the City plans on undertaking a urban design concept study to formulate a policy framework that will serve as a baseline for future development in the affected area. Various **technical** and environmental studies, such as a focused traffic analysis, basic economic market analysis and the equivalent of a Phase I hazardous materials analysis, will be undertaken. The design study will include a land use diagram and a circulation network as part of the overall design guidelines. It is likely that the study will recommend changes to the City's Zoning Ordinance and General Plan for the affected area. The **45-day** moratorium will help preserve the status quo pending the adoption of a comprehensive plan that will enable the City to implement its vision of how the affected area should change and redevelop to meet the City's needs in the upcoming decades.

Section 3. The Planning Director is hereby authorized to administer and interpret the provisions of this emergency ordinance, including but not limited to, review of specific use permits applications, variance requests, building permit applications, and other land use approvals, to determine whether the requested use permit, variance, building permit or other land **use** approval is subject to the **terms** of this interim ordinance.

Section 4. The Planning Director **shall** also prepare a written report describing the measures which will be taken to alleviate the conditions that necessitated the adoption of this interim ordinance. The Planning Director's report shall be presented to the City Council at least ten days before the date on which this ordinance expires.

Section 5. The moratorium established by this ordinance shall remain in effect for a maximum period of 45 days after the City Council's adoption of this ordinance by at last six affirmative votes.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held  
t h e - - d a y o f \_\_\_\_\_ , 2000, by Council Member \_\_\_\_\_

ADOPTED at a regular meeting of the City Council of the City of Hayward held the  
\_\_\_\_\_ day of \_\_\_\_\_ , 2000, by the following votes of members of said City  
Council.

AYES:

NOES:

ABSTAIN:

ABSENT:

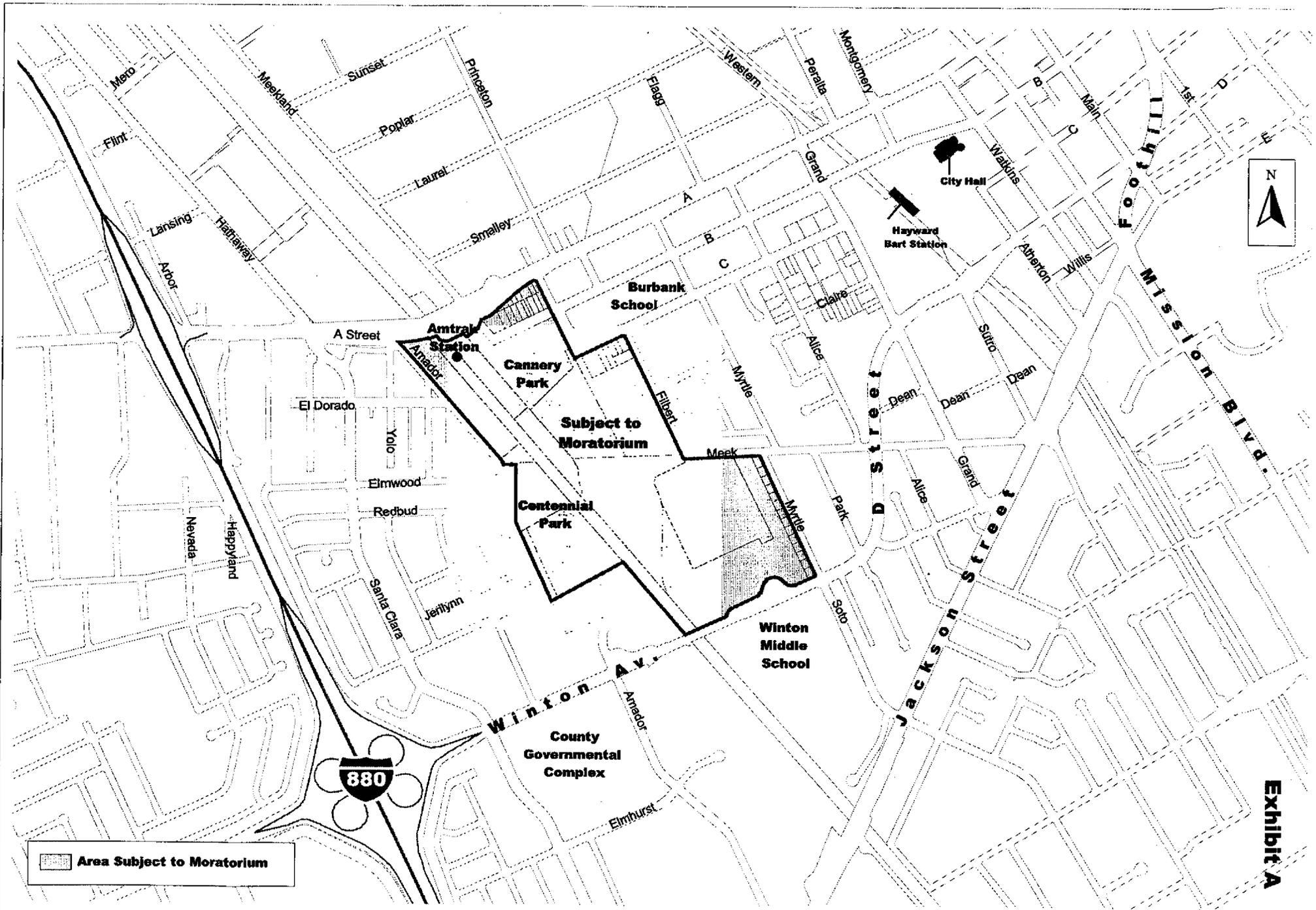
APPROVED: \_\_\_\_\_  
Mayor of **the** City of Hayward

DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City **Attorney** of the City of Hayward



# Proposed Moratorium Area

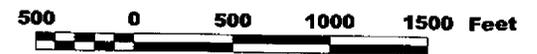


Exhibit A