

Background

In March of 2024, the City of Hayward Economic Development Corporation (Corporation) acquired the Cinema Place property (Property) from Levy Affiliated Holdings as a strategic acquisition to support revitalization and preservation of Hayward's Downtown economic core.

The Property is generally located at the corner of Foothill Blvd and B Street in downtown Hayward. It consists of an irregular-shaped, 1.54-acre parcel of land and is improved with one retail / theater building containing a total of 52,928 rentable square feet (SF) and a 450 square foot maintenance building. The buildings were reportedly constructed in one phase in 2008. The main subject building consists of a two-story structure with a total of 11 retail tenant spaces within. As the subject building occupies approximately 99% of the parcel, there are no other amenities associated with the subject property, with the exception of the landscaping, dumpster / trash compactor enclosure, the concrete paved entry at the main building entrance along B Street and concrete sidewalks at the building perimeter.

Parking stalls are provided at the maintenance building located at the southwest side of the subject property. Additional parking is provided for a total of 244 automobiles at an adjacent, City owned and maintained, two-story concrete parking structure located immediately to the south of the Property. Access to this parking structure is provided by means of an asphalt paved drive lane located at the southwest side of the Property and additional driveway entrances at the parking structure perimeter along Foothill Boulevard.

The Property was originally developed through a partnership between the former Hayward Redevelopment Agency and a private developer in 2008. The Hayward Successor Agency maintained and managed the ground lease with Levy Affiliated until the Corporation acquired the rights to the ground lease in March 2024.

Currently, nine of the 11 retail spaces are occupied with a mix of tenants. Cinemark/Century Theaters currently leases the theater space, which contains 12 screens. The second floor of the retail space is leased by Hinata Sushi Buffet. The ground floor retail spaces include several fast casual dining establishments, including Wing Stop, Metro Taquero, Rockit Char Grill, and Blue Crown Bistro. There is also Atlas Coffee Shop, Once Tea Boba, and a nail salon. All maintenance and operations agreements were conveyed to the Corporation upon acquisition of the property.

Proposed Scope of Work

The post-COVID retail and movie theater environment is vastly different and more challenging than in past years. The Corporation intends to continue the current tenant leases for the Property while undertaking a strategic economic analysis and positioning study. The intent of this study is to understand the long-term opportunities and investment options that are available to the Corporation to successfully position the property for long term success. The Corporation is seeking a consultant that will review current retail market conditions in the area, the current environment for movie theaters, retail/dining

gaps in Downtown Hayward, and other factors (including physical layout and amenities site) that could influence the success of this property.

The Corporation is also interested in exploring other entertainment opportunities for the theater space that could include strategic capital investments to reposition the space for other entertainment uses or to maximize the success of future theater operations.

Currently, Cinemark Theater has a lease for all 12 screens and will maintain control of the theater until and if they choose to terminate their lease. They currently have a 3-year lease option.