



DATE: June 24, 2025

TO: Mayor and City Council

FROM: Acting City Manager

SUBJECT: Adopt a Resolution Authorizing the City Manager to Execute an Operations and Lease Agreement for Stack Center Phase I between the City of Hayward and a Joint Partnership Comprising Eden Youth and La Familia

RECOMMENDATION

That Council approves the attached resolution (Attachment II) authorizing the City Manager to execute an Operations and Lease Agreement for Stack Center Phase I with Eden Youth and La Familia for the operation and administration of the portion of the Stack Center campus that was completed in the first phase of construction.

SUMMARY

In 2016, the Stack Center project's steering committee, known as the South Hayward Youth and Family Center (SHYFC) Governance Group, with the prior consent of Council, conducted a Request for Qualifications (RFQ) process to identify a Facility Operator and Administrator for the future center. In 2018 the group unanimously selected La Familia and Eden Youth and Family Center (now Eden Youth) as the joint Operator for the Project. A lease agreement was executed at that time, but expired in 2021 before construction on the site began.

With the completion of Phase I of the Stack Center in March 2025, staff are seeking Council authorization to execute a new Operator and Lease Agreement for the portion of the Stack Center campus that was completed in the first phase. Staff recommend that La Familia and Eden Youth be joint operators for this agreement, as was identified in the RFQ process in 2018.

BACKGROUND

Eden Youth and Family Center, now Eden Youth, is the current operator and master lease holder of the community center at the corner of Tennyson and Russ Road. Council has long recognized and worked to respond to South Hayward's need for a new multiservice center at this site, referred to as the Stack Center. For the past 10 years, the City and its partners have worked to make this dream a reality.

The goal for the Stack Center has always been for the campus to be leased to an operator, who will oversee the administration and maintenance of the campus, and the subleases with the subtenant partners.

Previous Agreement

In September 2016, the Stack Center Governance Group issued a Request for Qualifications for Facility Operator and Administrator Services. In March of 2018, Council authorized the City Manager to execute a facility operator agreement for the future Stack Center with a partnership between La Familia and Eden Youth¹. During the RFQ process, the two non-profits combined their proposals and resubmitted a proposal to be joint operators.

This previous agreement expired in 2021, before construction on the site began. In the subsequent years, La Familia and Eden Youth continued to participate in the project under the assumption that they would be the operator once the building was complete.

Phase I Construction

In 2022, the City split the project into two phases to maximize the use of available funds. Phase I construction of the Stack Center was completed in March 2025. This phase included the transformation of the Matt Jimenez Community Center into an affordable, high-quality childcare center and improvements to the adjacent outdoor area. This updated outdoor area is now a vibrant community events plaza designed to host community events and provide pedestrian connectivity between the park, health clinic buildings, and future service facilities.

DISCUSSION

Staff are seeking Council authorization to execute a new Operator and Lease Agreement for the portion of the Stack Center campus that was completed in the first phase of construction. Staff recommend that La Familia and Eden Youth be joint operators for this agreement, as was identified in the RFQ process in 2018.

The proposed Operations and Lease Agreement formalizes the partnership between the City and the joint Operators, Eden Youth and La Familia, and establishes a shared framework for managing and activating Phase I of the Stack Center. The agreement establishes a collaborative and sustainable operating model that aligns with the City's goals for equitable access to services in South Hayward.

The agreement establishes the terms under which Eden Youth and La Familia will jointly operate Phase I of the Stack Center which includes the outdoor community events plaza and the childcare center. The agreement reflects a shared commitment to providing high-quality, community-serving programs in South Hayward while maintaining a fiscally sustainable operating model. Key terms of the agreement are summarized below:

¹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=3458589&GUID=0FEACEAF-F93B-48F6-BC48-C5DBDF68FF46&Options=&Search=>

- The Operator will lease the facility for a nominal \$1 per year in recognition of its responsibility for full maintenance, security, and operational management.
- A Joint Operator Agreement will govern the partnership between Eden Youth and La Familia, with a single point of contact designated for City coordination.
- The City and Operator will collaborate on the closeout of Phase I construction and continue joint planning for Phase II.
- The Operator will convene a Tenant Advisory Council, manage subleases, and maintain a Master Fee Schedule aligned with community benefit goals.
- The City retains the right to use the event plaza up to 12 times per year at no cost, with appropriate notice.
- The Operator will submit biannual reports to the City, including data on service usage and operational updates.
- The City will complete construction closeout, facilitate building handover, and fulfill landlord responsibilities, including timely responses to communications and emergencies.
- The Operator will manage daily operations, maintain the facility, coordinate with subtenants and City staff, and lead community programming and engagement efforts.

Phase II Construction

Looking ahead to Phase II construction, which is anticipated to begin in FY 2025-26 pending bid approval and funding, the Operator will play an active role in planning and coordination. The Operator will participate in biweekly construction management meetings with the City, providing input on building systems and space configurations, and leading the coordination and selection of subtenants to ensure alignment with the long-term service vision. The Operator's early involvement is intended to support a smooth transition into future phases and maintain continuity in operations and community access as the full Stack Center campus is built out.

STRATEGIC ROADMAP

This agenda item supports the City's Strategic Roadmap Priorities "Grow the Economy" and "Beautify and Activate Public Spaces":

FP6: Complete Phase I construction of the Stack Center and continue fundraising, with the goal of beginning Phase II in FY25

NP5: Work with partners to launch outdoor programming at the Stack Center Community Event Plaza by Fall 2024

FISCAL IMPACT

The agreement has no direct impact to the General Fund.

NEXT STEPS

Should Council approve the resolution in Attachment II, the City Manager will work with Eden Youth and La Familia to finalize and execute the Operations and Lease Agreement.

Prepared by: Irene Perez, Management Analyst II

Recommended by: Mary Thomas, Assistant to City Manager

Approved by:

A handwritten signature in blue ink, appearing to read 'M. Lawson', is positioned above a horizontal line.

Michael Lawson, J.D.
Acting City Manager