

HAYWARD CITY COUNCIL

RESOLUTION NO. 23-_____

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO
NEGOTIATE AND EXECUTE A THIRD AMENDMENT TO THE
GROUND LEASE WITH MAHABAL HOSPITALITY, LLC

WHEREAS, the City of Hayward ("City") owns and operates Hayward Executive Airport ("Airport"); and

WHEREAS, on November 14, 2017, the City of Hayward approved leases with Ramesta Hospitality, LLC and Mahabal Hospitality, LLC for the development of two hotels on Airport property; and

WHEREAS, on November 16, 2018, the City approved a First Amendment related to a request from the developer's lender for clarifying language in the leases that complies with the terms of the construction loan; and

WHEREAS, the ground lease stipulates that the Mahabal Hospitality, LLC development, which is the Hyatt Place Hotel on West A Street, commence construction no later than November 30, 2019; and

WHEREAS, on October 1, 2019, the City approved a Second Amendment related to a request from the developer to extend the construction commencement date by one year to November 30, 2020 due to delays outside the developer's control; and

WHEREAS, due to impacts resulting from the COVID19 pandemic, which curtailed development of the hotel by nearly three years, the developer is requesting an additional extension of the construction commencement date.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized to negotiate and execute a Third Amendment to the ground lease with Mahabal Hospitality, LLC, in a form to be approved by the City Attorney, to reflect an extension of the construction commencement date to June 1, 2023, with the hotel to be completed by June 1, 2026 and the banquet facility and retail space to be completed by no later than June 1, 2028.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2023

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
 MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
 City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward