



DATE: November 15, 2016
TO: Mayor and City Council
FROM: Development Services Director

SUBJECT

Approval to Initiate the Formation and Annexation of the Amcal Property (Cadence Development) Located Across Dixon Street from the South Hayward BART Station to Benefit Zone No. 15 of the Consolidated Landscaping and Lighting District 96-1

RECOMMENDATION

That the City Council adopts the attached Resolution (Attachment II) that would initiate the proceedings for the formation of Benefit Zone No. 15 of Consolidated Landscaping and Lighting District 96-1 for the Cadence property and designate SCI Consulting Group as the Engineer of Work.

SUMMARY

As required by the conditions of approval and related owner participation agreement, a landscape lighting and assessment district, or park maintenance district, is required to be formed to fund the maintenance of the public park being developed associated with the Amcal Housing market rate development located across Dixon Street and east of the South Hayward BART station site. This action is the first step associated with such formation.

BACKGROUND

The Landscaping and Lighting Act of 1972 (Streets and Highways §22500) is a flexible tool used by local government agencies to form Landscaping and Lighting Districts for the purpose of financing the costs and expenses of operating, maintaining and servicing landscaping (including parks) and lighting improvements in public areas.

In 1996, six (6) separate Landscaping and Lighting Districts, Benefit Zones 1-6, were consolidated into one district, Consolidated Landscaping and Lighting District No. 96-1 (the District), by the adoption of Resolution No. 96-63. In subsequent years, Benefit Zones 7-14 were individually created and annexed into the District, including Benefit Zone No. 14 that was annexed to the District in June of this year.

The City Council approved a master plan, including a General Plan Amendment and Rezone, for the South Hayward BART station area in March of 2009, and approved a subsequent

amendment, including rephrasing of the master plan, in 2011. A Precise Plan was approved for the master development by the Planning Commission in 2012. Also, an Owner Participation Agreement (OPA) and several other agreements were executed between the City of Hayward, Eden Housing, and the original project developers in 2012. Section 5.17 of that OPA requires that a Park Maintenance District, or new zone to the City's Landscape Lighting and Assessment District, be formed prior to issuance of a certificate of occupancy for the Amcal Housing (market rate) development. Staff expects a certificate of occupancy to be requested with final inspections in February of next year.

The City approved the park improvement plans (see Attachment III) on September 25, 2014. The park construction is currently underway and is anticipated to be complete by February 2017.

On October 7, 2016, SCI Consulting Group (Consultant) was hired to assist the City of Hayward with the formation and/or annexation of benefit zones to the District.

The Cadence Property, developed by Amcal Housing (Amcal) under that certain Owner Participation Agreement (the OPA), consists of a 206-unit rental complex (constructed on the property owned by Amcal) and a public park (constructed on property owned by the City). The Conditions of Approval for the South Hayward BART TOD Project (Planned Development District No. PL-2008-0547 PD), as such have been modified from time to time by the City, including but not limited to technical revisions made in response to the rephrasing and minor modification of the South Hayward BART TOD Project issued on June 8, 2011, and pursuant to Resolution No. 11-140 adopted on July 26, 2011, required the construction of specified park improvements on a city owned parcel and the adoption of a landscape lighting and assessment district, or park maintenance district, to pay for the maintenance of the park. The formation and annexation of Cadence property into Benefit Zone No. 15 of the District is proposed to provide funding for the maintenance and improvements to the public park serving the development, including landscaping, irrigation and lighting facilities in compliance with the Conditions of Approval and in satisfaction of Section 5.17 of the OPA.

DISCUSSION

The attached resolution, if adopted, would initiate the proceedings for the formation of Benefit Zone No. 15 of Consolidated Landscaping and Lighting District 96-1 for the Cadence property and designates SCI Consulting Group as the Engineer of Work.

FISCAL IMPACT

There is no fiscal impact to the City's General Fund from this recommendation because expenditures related to maintenance of the public park are to be paid for by the District Benefit Zone No. 15 fund account.

SUSTAINABILITY FEATURES

There are no sustainability features associated with this action, which is essentially an action to establish funding source for maintenance of a public park.

PUBLIC CONTACT

A meeting with the property owner was held on October 12, 2016 to discuss the timing and scheduling of the formation of Benefit Zone No. 15. At the meeting, staff was available to explain the Benefit Zone's responsibilities and the property owner was given the opportunity to ask questions regarding the timing of the formation.

Should City Council approve the attached resolution and on December 6, 2017 preliminarily approve the budget, assessment rates, Engineer's Report and call for mailing of ballots, a Public Hearing would be held on January 17, 2017, where the property owner will have an opportunity to raise concerns about the assessments.

NEXT STEPS

Assuming the City Council adopts the attached resolution, proceedings for the formation and annexation of Cadence Property to Benefit Zone No. 15 of the Consolidated Landscaping and Lighting District No 96-1 will be initiated.

SCI Consulting Group will prepare an Engineer's Report in accordance with Article 4 of Chapter 1 of the Act and Article XIII D of the California Constitution. The Engineer's Report will describe the methodology used to develop the proposed assessment, as well as the financial details related to the proposed assessment and services to be funded by the proposed assessment. On December 6, 2016, the Preliminary Engineer's Report and Resolution will be presented to City Council for approval. This Resolution will preliminarily accept the Engineer's Report, order ballots to be mailed for the proposed assessment, and set January 17, 2017 as a Public Hearing date.

Prepared by: Allen Baquilar, PE, Development Review Engineer

Recommended by: David Rizk, AICP, Development Services Director

Approved by:



Kelly McAdoo, City Manager