

Scope of Services

In 2014, the City of Hayward engaged Dutra Cerro Graden (“Consultant”) to assess three (3) Catalyst sites: the Mervyn’s site, City Center and the Mission Boulevard property. The Consultant’s scope shall be a continuation of the recommendations and findings presented to the Hayward City Council in October 2014.

Consultant shall provide consulting, project management and brokerage services to design, entitle, subdivide, market and sell a marquee development project (the “Valle Vista Project”) for the original 16.4-acre site, as well as any other expansions of the “Project Area”, generally including those properties within the environs of the west and east sides of Mission Blvd. between Industrial Parkway and Tennyson Road. These owners include:

- Caltrans
- Laborer’s Local Union Hall (located at 29475 Mission Boulevard)
- Hayward Area Recreation Area and Park District
- Private landowners

It is also understood that the Consultant will contract with additional consultants and prospective buyers required to successfully consummate the necessary project visioning and concept plan.

The scope task items for this project are outlined as follows:

PHASE 1: (Almost complete including submitted written reports.)

TASK #1.1: GENERAL CONDITIONS AND PROPERTY REVIEW

Consultant shall conduct necessary due diligence on subject property including:

- Verify the current ownership and conditions at the sites in question
- Detail any challenges posed by the properties’ location
- Explore strategies and options to be studied
- The team will undertake a data gathering effort to collect pertinent information related to the properties selected by the City to include, but not necessarily be limited to;
 - Staff reports and City Council meeting minutes
 - Previous studies and investigations
 - Product type and density analyses
 - Outside previous legal analysis and consultant reports

- General Plans and Zoning Ordinances of subject jurisdictions
- Specific and/or Concept Plans
- Development standards
- Design guidelines

- Work collaboratively with the City to assess current and potential future uses of the properties selected by the City in order to weigh the implications for the policy considerations of the City and the flexibility as allowed under current or impending law
- Obtain an appraisal of the subject properties to arrive at a per acre purchase price
- Obtain a record data base sheet of the site boundary, easements and other encumbrances of record based upon a current preliminary title report
- Check project site's status as it relates to the Williamson Act, FEMA Flood Zone, and Geo-Hazard Zones
- Consult with active builders in the industry to ascertain if proposed product type and densities are viable in the market and specifically, viable in the City of Hayward
- Upon completion of Task Item #1, the Consultant and other consultants shall collaborate with the City to deduce the most effective project from an economic, social, and policy standpoint.

TASK #1.2: CATALYST SITE CONCEPT PLANS AND VISIONING (Partially complete including some submitted reports; work continues)

Upon completion of Task Item #1 the Consultant and Subconsultant shall collaborate with the City to deduce the most effective project from an economic, social, and policy standpoint. In order to do so the Consultant deliverables for this task item shall be:

- Obtain a residential market analysis report to arrive at a realistic residual land value. The initial market analysis will be based on the concept plan presented to Hayward City Council in October 2014. This will provide the Project Team with a baseline starting point as it relates to what the market will bear given the current economic cycle and site location
- Obtain a retail market analysis report to determine if there is significant market demand to justify retail along Mission Boulevard
- Analyze highest and best use of the site in regards to political, market, land use, and physical



constraints

- Prepare a preliminary site development layout study for the purpose of density analysis. Consult with Client regarding proposed use, design concept, and site planning
- Iterative design meetings with elected officials and senior city staff to arrive at a site plan that meets the City's vision and is economically feasible
- Develop alternate strategies for site layouts and product type based on knowledge gained from the appraisal, market study and industry insight.
- Provide advice on highest and best use for the site including land use, site plan design, public policy objectives, and product design.

TASK #1.3: CITY COUNCIL REPORT FINALIZATION & PREPARATION

- DCG will meet with City team to confirm the site plan and a mutual understanding of project goals and items to be communicated to the Council
- Explore the financial implications of the complex transaction structure surrounding:
 - The purchase of the land
 - The funding of the open space
 - Overall area improvements required
 - Most viable product type
- Work internally to address the disposition of the property including:
 - The Request for Proposal to be issued to the builder/developer community
 - Terms of a development agreement
 - Terms of the maintenance of the agreed upon open space
 - Contract Negotiation with Selected Buyer

PHASE 2

TASK #2.1: OWNER REPRESENTATIVE AND DAY-TO-DAY PROJECT MANAGEMENT

DCG will act as project manager in terms of working with the prospective buyer to prepare the following for review by the City of Hayward:

- Project Description including, but not limited to, all properties included in the Project Area, Key City Initiatives and Objectives, and Strategic Project Plan
- Preliminary Term Sheet
- Schedule of Important Project Milestones
- Exclusive Right to Negotiate Agreement
- Development Agreement
- Purchase Agreement

TASK #2.2: BROKER SERVICES

