



DATE: October 6, 2020

TO: Mayor and City Council

FROM: Deputy City Manager

SUBJECT: Adopt Resolution Authorizing the City Manager to Negotiate and Execute an Agricultural Lease Agreement with Virgil Robertson for 20 Acres on Parcel Group 4 Generally Situated on Undeveloped Land between Harder and Tennyson Roads

RECOMMENDATION

That Council adopts a resolution (Attachment II) authorizing the City Manager to negotiate and execute an Agricultural Lease Agreement with Virgil Robertson for approximately 20 acres on Parcel Group 4 generally situated on undeveloped land between Harder and Tennyson Roads.

SUMMARY

The City of Hayward entered into a Purchase and Sale Agreement (PSA) with the California Department of Transportation (Caltrans) in January 2016 for 10 parcel groups of former Caltrans 238 property. The PSA allows the City to buy and dispose of the ten different parcel groups for an 11-year period that now expires in January 2027.

Specifically, this report recommends entering into a month-to-month agricultural lease with Virgil Robertson for grazing and boarding of up to 10 horses on 20 of the 80 acres of Parcel Group 4, generally located in the hills between Harder and Tennyson Roads, to the east of Moreau Catholic High School and the Holy Sepulchre Cemetery, and to the west of California State University East Bay campus. The proposed month-to-month lease is conditioned upon Mr. Robertson maintaining the property in a neat, clean, and orderly condition, as well as terminating his existing lease with the City on portions of the adjacent Parcel Group 3, which will help facilitate the development of the La Vista Park. This is a proposed interim use, as City staff continue to work on long-term next steps for Parcel Group 4.

BACKGROUND

The City of Hayward entered into a PSA with Caltrans in January 2016 for 10 parcel groups of former Caltrans 238 property. Specifically, this report recommends entering

into a month-to-month agricultural lease with Virgil Robertson for grazing and boarding of up to 10 horses on 20 of the 80 acres of Parcel Group 4, generally located in the hills between Harder and Tennyson Roads, to the east of Moreau Catholic High School and the Holy Sepulchre Cemetery, and to the west of California State University East Bay campus.

DISCUSSION

City staff recommends entering into an agricultural lease agreement with Virgil Robertson according to the following key terms:

- **Lessee:** Virgil Robertson.
- **Term:** Month-to-Month.
- **Premises:** 20 of the 80 acres of Parcel Group 4, generally located in the hills on undeveloped land between Harder and Tennyson Roads.
- **Use:** Grazing and boarding of up to 10 horses, including installation of fencing and adherence to approved practices of good husbandry and in accordance with standard farming practices. No other alteration to the property is allowed without City approval.
- **Rent:** \$300 per month consistent with other comparable grazing leases.
- **Maintenance:** Maintenance of the property in a neat, clean, and orderly condition.
- **Conditions:** Termination of Mr. Robertson's existing lease on portions of Parcel Group 3, which will help facilitate the development of the La Vista Park.

This is a proposed interim use, as City staff continue to work on long-term next steps for Parcel Group 4.

ECONOMIC IMPACT

While no property taxes are currently being paid on this Parcel Group and minimal possessory interest taxes are expected to be paid as a result of the proposed lease, the lease will help facilitate the development of the La Vista Park on portions of Parcel Group 3, which is expected to have a beneficial impact on the entire Hayward community.

FISCAL IMPACT

There is a minor expected positive impact on the City's General Fund by having a private entity be responsible for maintaining 20 of the 80 acres of Parcel Group 4 and generating a lease payment.

STRATEGIC ROADMAP

This agenda item supports Project #5: Facilitates the disposition and development of the Route 238 corridor lands, under the Grow the Economy Strategic Priority.

ENVIRONMENTAL REVIEW

The authorization of this lease on Parcel Group 4 is exempt under the California Environmental Quality Act pursuant to: 14 CCR §§ 15325 (transfer to allow continued agricultural or open space uses), 15311 (accessory structures), 15304 (minor alteration of land), 15301 (lease of existing facilities), and 15061(b)(3) [common sense exemption].

PUBLIC CONTACT

The City has been working with the community for years on the plan and development of La Vista Park on portions of Parcel Group 3, which will be benefited by the termination of Mr. Robertson's existing lease on that property. No other outreach was performed for this interim month-to-month lease.

NEXT STEPS

Upon authorization by the City Council, the City Manager will enter into an agricultural lease agreement with Mr. Robertson consistent with the key term summarized in this Staff Report and in the attached Resolution (Attachment II).

Prepared and Recommended by: Jennifer Ott, Deputy City Manager

Approved by:

A handwritten signature in dark ink, appearing to read 'K. McAdoo', is written over a horizontal line.

Kelly McAdoo, City Manager