



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: CONS 20-428, **Version:** 1

DATE: September 15, 2020

TO: Mayor and City Council

FROM: Deputy City Manager

SUBJECT

Adopt a Resolution Authorizing the City Manager to Enter into the Seventh Amendment to the Purchase and Sale Agreement between the State of California Department of Transportation and City of Hayward for the 238 Excess Properties to Extend the Term of Sale for Five Additional Years to January 2027

RECOMMENDATION

That the Council adopts a resolution (Attachment II) authorizing the City Manager to enter into a seventh amendment to the Purchase and Sale Agreement (PSA) between the State of California Department of Transportation (Caltrans) and City of Hayward for the 238 Excess Properties (PSA) to extend the term of sale for five additional years to January 2027.

SUMMARY

The City of Hayward entered into a PSA with Caltrans in January 2016 to manage the disposition and development of former right of way for the now defunct Route 238 Bypass and has amended the PSA six times since then. The 238 excess properties subject to the PSA are divided into 10 parcel groups and must be sold by the City by January 2022 pursuant to the "Term of Sale" provision in the PSA. While the City has made significant progress developing the former 238 properties, the Covid-19 pandemic, which began in early 2020, has caused business closures, shelter in place orders, and a severe economic slowdown in California and the nation as a whole. There is no foreseeable end to the Covid-19 pandemic, causing market uncertainties and resulting in difficulties in financing land transactions like those contemplated by the PSA. As a result, the City and Caltrans have agreed to extend the Term of Sale provision in the PSA by five years from January 2022 to January 2027 to reflect the unforeseen global pandemic and its impacts on the sale of the properties subject to the PSA.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution