

Cover Memo

File #: CONS 16-336, Version: 1

DATE: June 21, 2016

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Agreement for the Purchase and Sale of Real Property located at B Street and Meekland Avenue between the City of Hayward and Three Cedars, LLC.

RECOMMENDATION

That Council approves the sale of certain real property located at B Street and Meekland Avenue for a proposed development by Three Cedars, LLC, and adopts the attached resolution (Attachment 1) authorizing the City Manager to negotiate and execute an Agreement for Purchase and Sale of Real Property evidencing such transaction contingent on California Environmental Quality Act compliance (CEQA).

BACKGROUND

In 1981, the City acquired parcels along A Street for the A Street grade separation over the Southern Pacific Railroad. The developer is requesting to purchase 2,598 square feet of surplus property of one of these parcels. In 2005, the City realigned B Street and Meekland Avenue as part of the Cannery development project. The City vacated a portion of B Street and Meekland Avenue per Resolution 05-012, which the developer is also requesting to purchase. The area of the vacation is 5,783 square feet. The total square footage of the purchase is 8,381.

DISCUSSION

Staff reached a tentative agreement with Three Cedars for the sale of the above property. The agreement is contingent upon City approval of their project and associated tentative Parcel map as well as CEQA compliance.

The proposal will likely result in the development of four (4) single family homes. However, without actual ownership of the property, investment in the studies and preliminary work necessary to put the Developer's proposal in a form which would allow for a meaningful review under CEQA is premature. Accordingly, to allow for the Developer to invest in the preliminary work needed to form a reviewable project, staff worked on achieving a tentative agreement for the sale contingent on the required approvals.

FISCAL IMPACT

The agreed upon purchase price is set at \$20.00 per square foot for approximately 8,381 square feet for a total of \$167,620. As the original intent for purchase of the City properties was to benefit street improvements, staff recommends the proceeds be deposited into the Street System Improvement Fund for future roadway improvement projects.

PUBLIC CONTACT

The proposed development project will go through the standard public notice process, including a Planning Commission meeting for the required approvals.

Prepared by: Brian Spore, Surveyor

Recommended by: Morad Fakhrai, Director of Public Works

Approved by:

Fran David, City Manager

Attachments:

Attachment I

Resolution