



CITY OF HAYWARD

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Cover Memo

File #: CONS 20-439, **Version:** 1

DATE: September 15, 2020

TO: Mayor and City Council

FROM: Deputy City Manager

SUBJECT

Adopt Resolutions to Memorialize that the Provision of Affordable Housing and an Expansion of Carlos Bee Park Will Satisfy the Park and Affordable Housing Dedications for Former Caltrans 238 Parcel Group 8 in order to Secure Caltrans Authorization to Subdivide Parcel Group 8 and Authorize the City Manager to Enter into an Exclusive Negotiating Rights Agreement with Resources for Community Development (RCD), a California Nonprofit Public Benefit Corporation, for the Proposed Development of the Affordable Housing Segment of Parcel Group 8 Generally Situated along Grove Way between Bridge Court and Foothill Boulevard

RECOMMENDATION

That Council adopts Resolutions to:

1. Memorialize that the provision of affordable housing and an expansion of Carlos Bee Park will satisfy the park and affordable housing dedications for Parcel Group 8 in order to secure Caltrans authorization to subdivide Parcel Group 8; and
2. Authorize the City Manager to enter into an Exclusive Negotiating Rights Agreement (ENRA) with Resources for Community Development, a California nonprofit public benefit corporation (RCD), for the proposed development of the affordable housing segment of Parcel Group 8 generally located along Grove Way between Bridge Court and Foothill Boulevard.

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 comprised of former Caltrans 238 property. Specifically, this report recommends taking the initial steps towards disposing and developing Parcel Group 8 generally located at Grove Way and Foothill Boulevard. Over the last two years, the City has been working with the community to develop a vision and approach to development for Parcel Group 8, including numerous community, neighborhood, and stakeholder outreach efforts.

Based on this extensive community and stakeholder feedback, staff developed an approach to development of Parcel Group 8, which includes obtaining Caltrans' authorization to subdivide Parcel Group 8 into three major segments (Attachment IV) and move forward with three distinct community and development processes as follows:

1. Affordable Housing Segment - Engage RCD, a nonprofit developer, to build much-needed **affordable housing** on the Bridge Court/Grove Way properties that minimizes displacement of existing residential tenants through the exploration of various development options, including partnering with a community land trust, rehabilitation of existing rental units, new construction of affordable housing, or a combination of these options.
2. Open Space Segment - Facilitate an **open space** dedication to the Hayward Area Recreation and Park District (HARD) for expansion of Carlos Bee Park.
3. Market Rate Middle Segment - Solicit private developer interest in a **lower density market rate housing and trail expansion** project consistent with the City and County Housing Element in order to address neighborhood traffic concerns and satisfy the Caltrans purchase price.

Caltrans has agreed to authorize the separate and independent subdivision and development of the three distinct segments described above, if the City Council memorializes that the proposed affordable housing development and open space dedication for Parcel Group 8 will satisfy the City's park dedication fee and affordable housing obligations for any new housing proposed on the Market Rate Middle Segment. The purpose of tonight's agenda items is to recommend that City Council approve two resolutions that will commence the process of implementing development of Parcel Group 8 by: (1) memorializing that the provision of affordable housing and an expansion of Carlos Bee Park will satisfy the park and affordable housing dedications for Parcel Group 8 in order to secure Caltrans authorization to subdivide Parcel Group 8; and (2) authorize the City Manager to enter into an ENRA with RCD for the proposed development of the Affordable Housing Segment of Parcel Group 8.

ATTACHMENTS

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| Attachment I | Staff Report |
| Attachment II | Resolution Memorializing Dedications |
| Attachment III | Resolution Authorizing ENA |
| Attachment IV | Map |