

Cover Memo

File #: CONS 20-211, Version: 1

DATE: May 5, 2020

TO: Mayor and City Council

FROM: Deputy City Manager

SUBJECT

Adopt a Resolution Authorizing the City Manager to Negotiate an Amendment and Extend the Exclusive Negotiating Rights Agreement with Eden Housing Inc. and Pacific Companies through June 30, 2021

RECOMMENDATION

That the Council adopts a resolution (Attachment V) authorizing the City Manager to negotiate an amendment and extend the Exclusive Negotiating Rights Agreement (ENRA) with Eden Housing Inc. and Pacific Companies through June 30, 2021, to develop conceptual development plans, pursue entitlements, and negotiate a Disposition and Development Agreement (DDA) for former Route 238 Bypass properties: Parcel Groups 3 and 4.

SUMMARY

The City of Hayward entered into a Purchase and Sale Agreement (PSA) with the California Department of Transportation (Caltrans) in January 2016 to manage the disposition and development of former right of way for the now defunct 238 Bypass. This land is divided into 10 parcel groups and must be disposed of by 2022. This report covers Parcel Groups 3 and 4.

A Request for Proposals (RFP) for developers for Parcel Groups 3 and 4 was issued in April 2018, and in July 2018, Council provided authorization for the City Manager to negotiate and enter into an Exclusive Negotiating Rights Agreement (ENRA) with Eden Housing Inc. and Pacific Companies (Development Team), to develop over 150 units of affordable housing and a school distributed over 14 acres. During the ENRA period, the Development Team has been diligently working towards developing conceptual development plans, pursuing entitlements, and negotiating a Disposition and Development Agreement (DDA) for Parcel Groups 3 and 4. Due to unforeseen delays and significant site planning issues and now the COVID-19 crisis, the Development Team requested an extension of the term of the ENRA until June 30, 2021. Given the importance of developing new affordable housing and the significant constraints faced by the Development Team, staff recommends authorizing the City Manager to enter into an amendment to extend the ENRA with the Development Team until June 30, 2021 with two 90-day administrative extensions at the City's sole discretion.

The proposed Project will add a total of 180 affordable housing units to the City's housing stock, which would help the City to meet over 23% of the RHNA goals for low-income households and 4% of the RHNA goal for very low-income households.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Site Plans
Attachment III	Roundabout Rendering
Attachment IV	Amenity Map
Attachment V	Resolution