



CITY OF HAYWARD

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Cover Memo

File #: RPT 22-039, **Version:** 1

DATE: April 28, 2022

TO: Council Airport Committee

FROM: Director of Public Works

SUBJECT

Potential Development of Former California Air National Guard Site

RECOMMENDATION

That the Council Airport Committee (CAC) reviews this information and recommends Council direct staff to commence next steps regarding the proposed development of advanced manufacturing and life science uses at the California Air National Guard (CANG) site.

SUMMARY

The CANG site at the Hayward Executive Airport (Airport) has been vacant since 1980, and it was officially released to the City by the United States Government in 2012. For over ten years, the City has marketed the parcel for aeronautical use, but interest has been minimal due to current market conditions that favor non-aeronautical use.

In the past several years, staff has received several inquiries about non-aeronautical use, including proposals by Montecito Development Company (Developer) that previously expressed interest in a “flex” type of development, which included retail, office, and warehouse space, as well as space for a museum honoring the Tuskegee Airmen. After Council requested that the property be re-evaluated for the highest and best use possible, the Developer’s plan pivoted away from a warehouse to life science and advanced manufacturing, with the museum for the Tuskegee Airmen and the space for community service organizations retained in the new plan. The net impact of this revised development proposal to the Airport is significant, with potential annual revenues from this development approaching \$1 million. The City would also benefit from job creation, the generation of additional sales tax, and increased economic impact.

However, before the revised development proposal can proceed, the CANG parcel must be released for non-aeronautical use by the Federal Aviation Administration (FAA). Staff must submit a written request to the FAA for release, which is likely to take six to nine months. Staff is requesting that the CAC recommend Council direct staff to commence the next steps required to move forward with the revised development proposed by the Developer, including negotiating a lease agreement with the Developer, submitting a release request to the FAA, and supporting the Developer in pursuing land use entitlements and environmental clearance. The property will require a rezoning from Air Terminal-Airport Commercial (AT-AC) to Air Terminal-Commercial (AT-C).

ATTACHMENTS

Attachment I	Staff Report
Attachment II	CANG Site Map
Attachment III	CANG Preliminary Site Plan
Attachment IV	CANG Street-side Elevation