

DATE: July 29, 2008

TO: Mayor and City Council

FROM: Director of Community and Economic Development

SUBJECT: Authorization to Enter Into a Development Agreement with Chang Income Property Partnership, LP (Owner), Related to Expansion of Greenwood Park

RECOMMENDATION

That Council determines the proposed project meets the standards set forth in Section 10-9.02 of Chapter 10, Article 9 of the City of Hayward Municipal Code, and (1) authorizes the Planning Director to accept an application for a development agreement, (2) authorizes staff to conduct an environmental analysis pursuant to the California Environmental Quality Act of 1970, as amended, and (3) directs staff to prepare a Development Agreement.

BACKGROUND

Neighborhood Plan Support –

The Mount Eden Neighborhood Plan, adopted by City Council Resolution No. 90-177 on July 17, 1990, covers areas of the City located west of Hesperian Boulevard, between Winton Avenue and Route 92. The neighborhood area also extends to Clawiter Road and Industrial Boulevard. The Neighborhood Plan was the result of an almost 12-month effort by a 10-member citizen task force. The resulting neighborhood plan includes policies and strategies for future development within the neighborhood plan area, including Parks and Open Space. The adopted policy regarding Parks and Open Space states, "Provide parks, open space, and streetscape appropriate to an attractive residential neighborhood." One of the strategies for adhering to this policy states, "Extend Greenwood Park to Denton Avenue." Included within this plan is also discussion of expanding the park approximately 1.25-acres, which would allow the park to be expanded to HARD's minimum desirable size (see Exhibit B).

Surrounding Development –

In 2005, KB Home of South Bay, Inc., proposed a 149-unit development on land across from the existing Greenwood Park. The development proposal was not providing any group open space within the development, but proposed to purchase approximately 1 acre of land adjacent to Greenwood Park for the purposes of expanding the park. The project was approved and

conditioned on KB Home working toward purchasing the expanded park land, and dedicating it to the City to meet the park obligation. Unfortunately, KB Home was unsuccessful in purchasing the land, as the land owner wasn't interested in selling at that time. In order to allow KB Home to continue developing the approved homes, KB Home was required to post two bonds. The first was in an amount of \$1.23 million, equivalent to an appraised value of the potential expansion area, and the second was in an amount of \$602,300, equivalent to estimated park improvements for a total of \$1,832,300.00.

In 2006, KB Home proposed an additional 22 units in the same geographical area. Again, the developer was proposing no group open space. At the City Council hearing in January of this year, the City Council did not take action on the development. The City Council requested staff work with the property owner adjacent to the existing Greenwood Park regarding the potential park expansion area. KB Home has since withdrawn their application for the additional 22 units.

Staff has had ongoing discussions with the representatives of Chang Income Property Partnership, current owners. It appears the Chang ownership is interested in developing the land and working with the City to expand Greenwood Park via the development agreement process. Terms of the development agreement would address such items as density of development on the Chang property, as well as a sale price for the park land expansion. Staff proposes to use the KB Home bond money to purchase the land for park expansion.

DISCUSSION

Overview –

City of Hayward Municipal Code Chapter 10, Article 9, Section 10-9.04 requires an applicant interested in entering into a development agreement to first inform the Planning Director of such interest; and, then the Planning Director shall advise the City Council of the proposed development agreement application. The City Council shall determine if the project meets the standards as specified in Section 10-9.02, and if the project does meet the standards, the City Council shall authorize the Planning Director to accept an application for a development agreement.

Required Standards –

A development agreement is a tool to be used for large multi-phase developments, low and moderate income housing developments meeting state or federal standards, or developments involving the installation, or provision of substantial public facilities or services, which may require several years to complete. In this particular case, the development agreement would be used to solidify the terms of future development of this property in a residential capacity while simultaneously establishing a purchase price for land that will be used to expand and ultimately improve Greenwood Park, a substantial public facility. It is for this reason that staff believes the standards are being met to allow Council to authorize the Planning Director to accept an application for a development agreement.

FISCAL IMPACT

There is no fiscal impact for this recommendation.

PUBLIC CONTACT

No public contact required for this item.

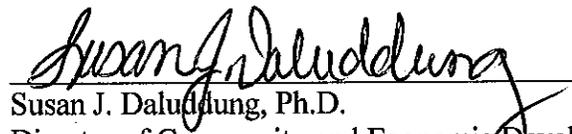
NEXT STEPS

If the Council authorizes the Planning Director to accept and process an application for a development agreement, staff will continue negotiations with the property owner's representative. Once the terms of the development agreement and financial terms have been established, the Development Agreement, along with any required General Plan Amendment and Rezoning request, will be presented to the Planning Commission and City Council for consideration at a later date at noticed public hearings.

Prepared by:


David Rizk, AICP
Planning Manager

Recommended by:

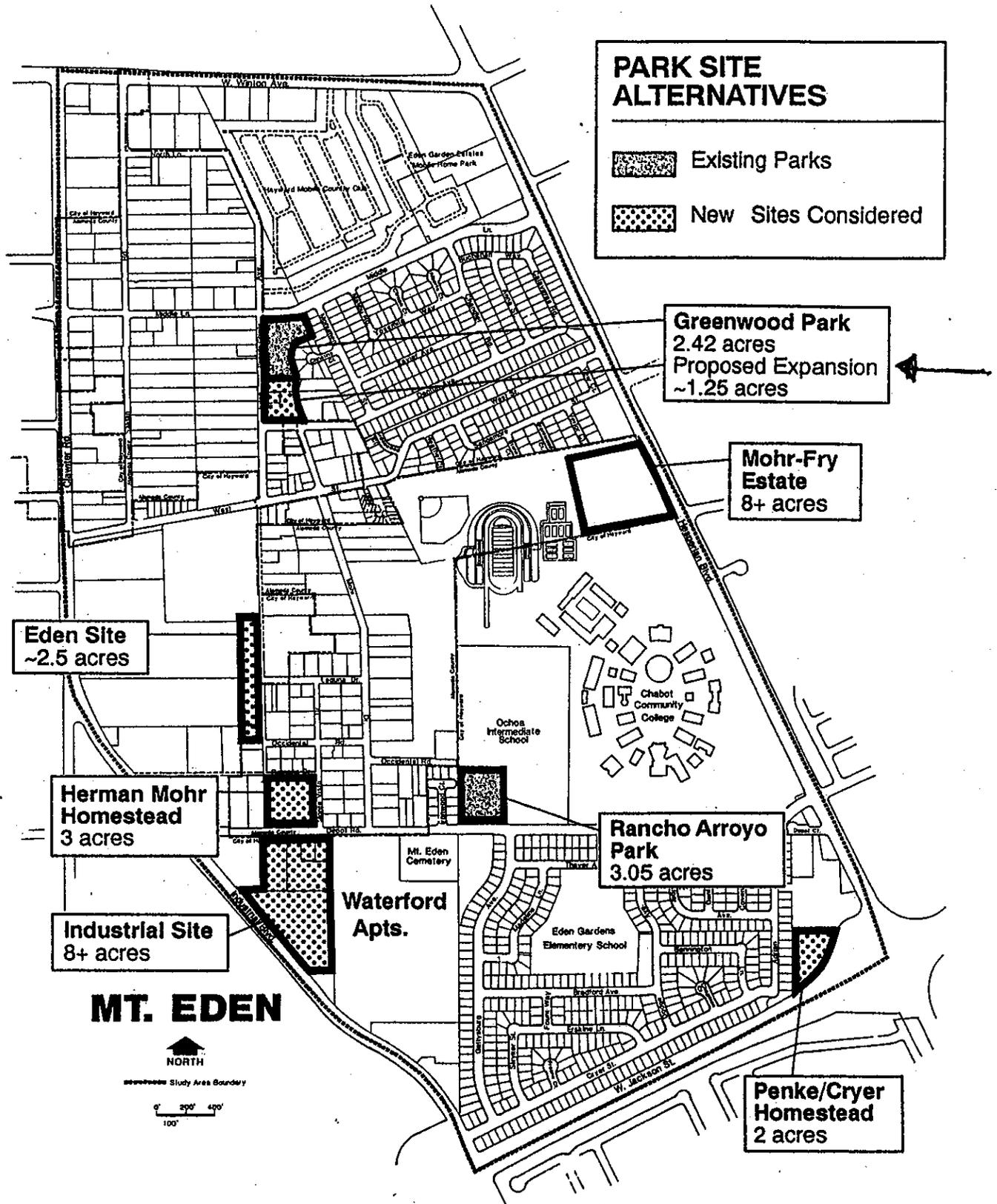

Susan J. Daludlung, Ph.D.
Director of Community and Economic Development

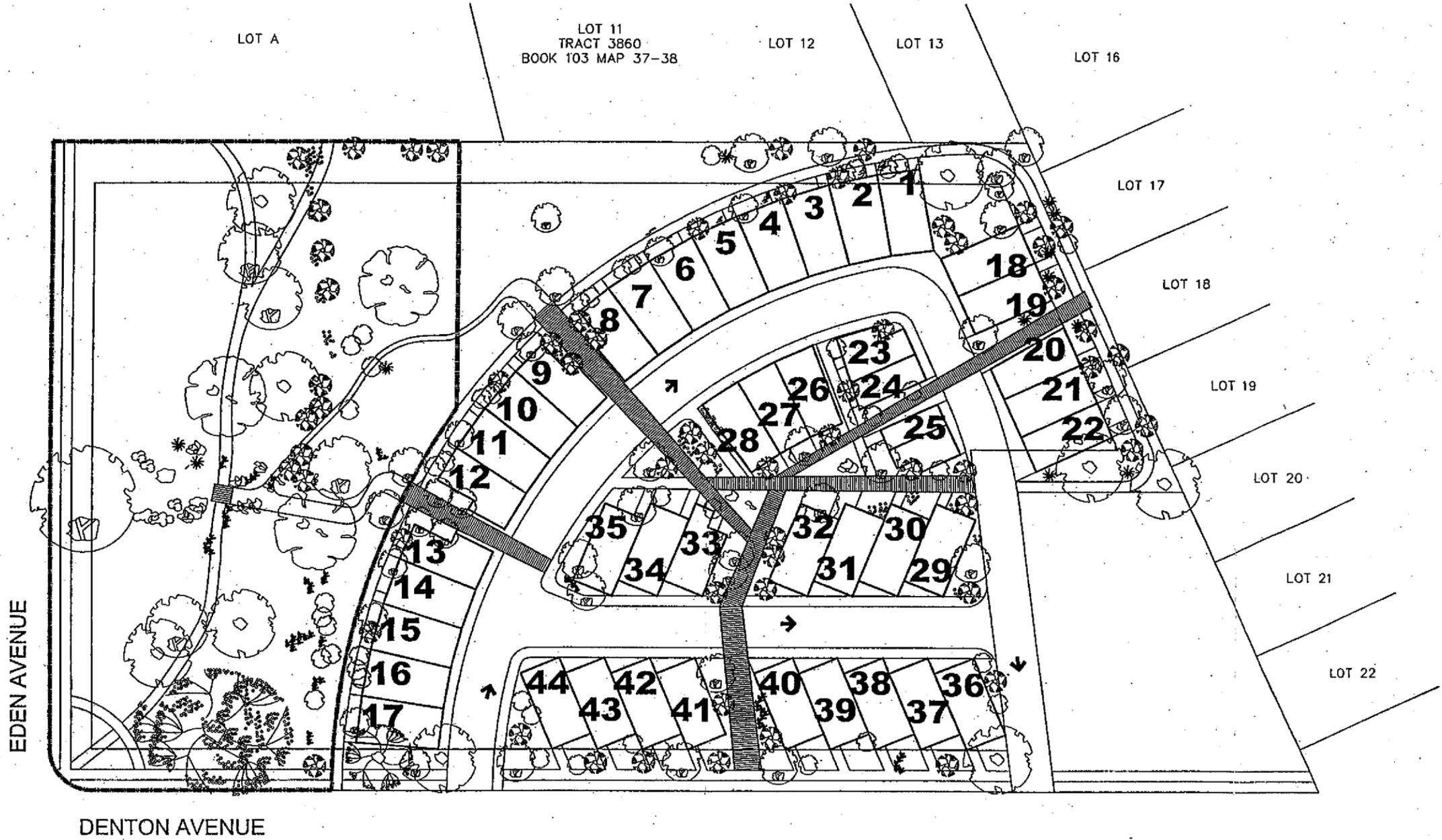
Approved by:


Gregory T. Jones, City Manager

Attachments: Exhibit A. Vicinity Map
Exhibit B. Mt. Eden Neighborhood Plan map
Exhibit C. Conceptual Development Plan
Draft Resolution

**THE REFERENCED EXHIBIT(S) IS/ARE
ATTACHED AS A SEPARATE LINK**





EDEN AVENUE

DENTON AVENUE

44 UNITS

GREENWOOD PARK TOWNHOMES
WESTLAKE DEVELOPMENT PARTNERS

520 South El Camino Real Ninth Floor
San Mateo California 94541-5007

ALTERNATE:
5
44 UNITS
(20'x40'
Footprint
2-car garage)
1 Commons Bldg

DATE
16 June 2008

SCALE
1" : 30'-0"

DRAWN
JOB NO.
SHEET

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 08-

Introduced by Council Member _____

mal
7/18/08

RESOLUTION AUTHORIZING CEQA REVIEW AND THE PREPARATION OF A DEVELOPMENT AGREEMENT TO BE CONSIDERED IN CONJUNCTION WITH THE LAND USE APPLICATION RELATED TO THE EXPANSION OF GREENWOOD PARK

BE IT RESOLVED that the City Council of the City of Hayward hereby finds that the proposed project meets the standards specified in Hayward Municipal Code Section 10-9.02 *et seq.*, directs staff to accept an application for a development agreement, to conduct the appropriate CEQA review and prepare a draft development agreement to be considered in conjunction with the expansion of Greenwood Park.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2008

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward