

# South Hayward Mixed Use Project



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DEVELOPMENT

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EDEN  
HOUSING

# Hurdles facing the original South Hayward BART project

- Tenant for retail space
- Redevelopment Agency funds not available + current political climate.
- State requirement for joint and several liability.
- BART replacement parking garage – schedule & budget.
- Deadlines for the Prop 1C funds.



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# Alternative to the original project

We have identified an alternative that will still allow for:

- Improvement and investment in the Mission Blvd. Corridor that fits with community plans
- Leverage of \$32M of the \$47M in State grants
- Additional investment of over \$100M in the area plus over 500 high-quality construction jobs



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# Proposed Revision: Phasing Change

- Wittek/Montana and Eden Housing will commit to development of the Perry and Key and BART satellite lot as Phase 1.
- Future development of the BART parking lot will be driven by market conditions.
- Prop 1C grants will be associated with Phase 1 only.



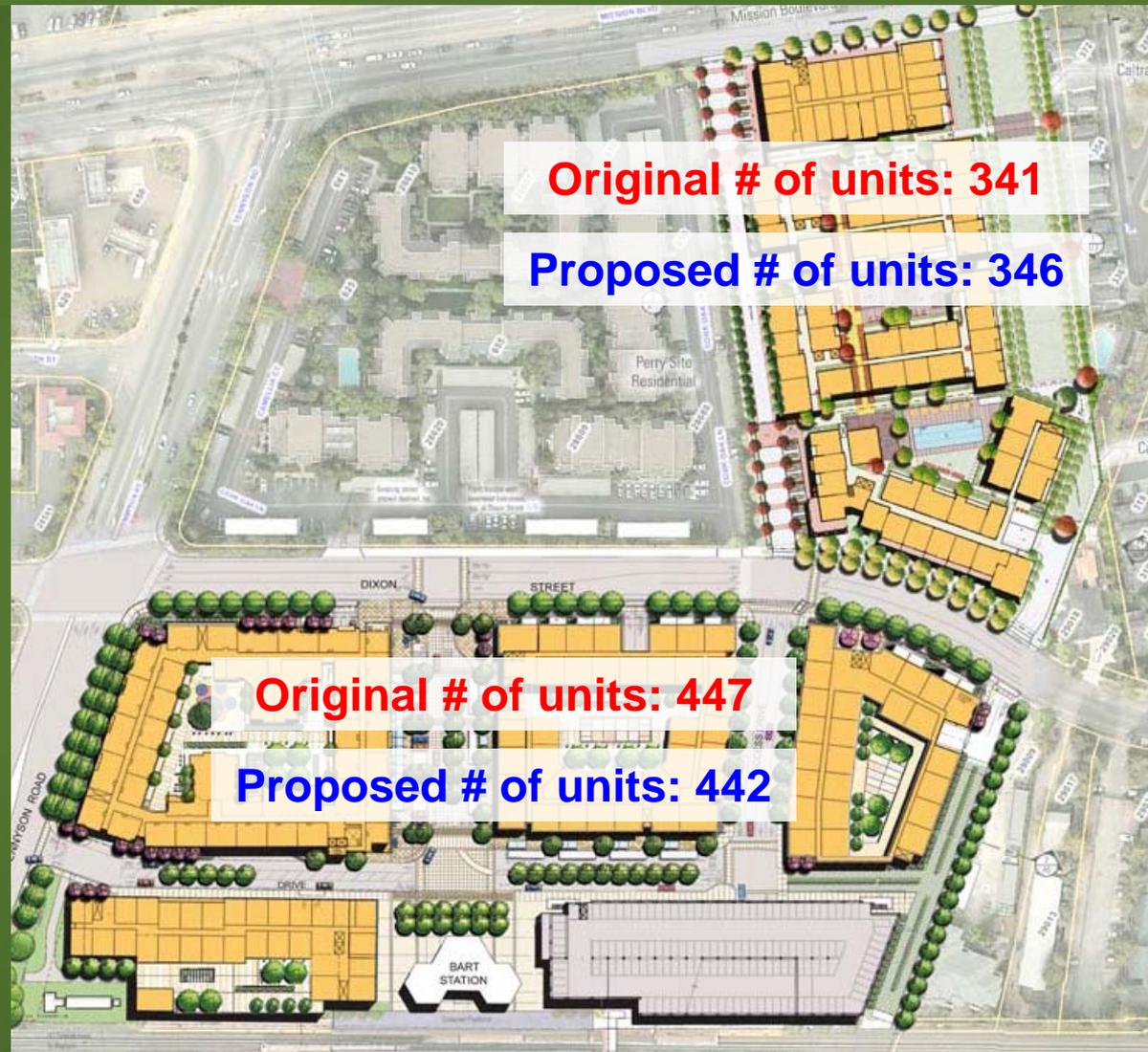
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# Original Plan vs. Proposed Plan

**Original total  
# of units: 788**

**Proposed total  
# of units: 788**



# Phase 1: Existing Conditions



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# Phase 1: Existing Conditions



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# Phase 1: Proposed site plan – nearly identical to approved plan

**64 affordable senior units**

**87 affordable family units**

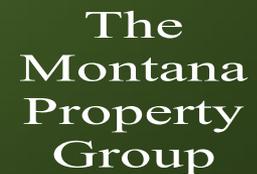
**195 market rate units**  
(mapped as condos)



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# Phase 1: Proposed elevations – nearly identical to approved plan.



# Steps taken to test viability of proposed alterative

## HCD / State Grants:

- Resized the grants. Alternative project provides \$15.8M in Infill and \$16.2 M in TOD funds. Total ~\$32M in state funds.
- Met with HCD staff, who was supportive of the alternative plan.
- To maintain an adequate score and retain \$32M, need for original entitlements to stay in place.

## BART:

- Meet with Jeff Ordway on the BART staff.
- Further negotiations need to take place for lot but Mr. Ordway did not believe any major obstacles existed, as the alternative still met BART's TOD policy.



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# Timelines for Prop 1C Funds

- All funds must be spent under the current timelines by February 2013.
- An extension of three years is available if we meet certain deadlines. These deadlines include executing the documents by the end of 2011.
- The original plan in its scope and complexity has made the negotiation of the documents extremely difficult.
- Because of the timelines we do not have time to attempt to solve the prior issues raised.
- The current tenor in Sacramento makes any leniency in these deadlines unlikely.



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# Benefits to Phased Projects

- City will not play the role of developer.
- City will not be at risk to cover cost over runs or delays.
- The simplicity of Phase 1 greatly reduces the issues associated with joint and several liability.
- Only 20% set-aside funds are necessary.
- No replacement parking is necessary.
- Significantly improves the ability to meet the Prop 1C deadlines.



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# Requirements to Move Forward

- Approval by City Council of new phasing for project.
- Approval by City Council for staff to negotiate Prop 1C documents for Phase 1 only.
- City Council to provide direction to staff to process minor modification to PD zone.



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# Next steps, pending approval of proposed alternative

- Development team can bring the revised elevations and site plan to council as an informational item
- Development team to submit a precise plan application to City for Planning Commission review
- Staff and Development team to finish negotiating HCD and other transactional documents
- Eden to apply for bond financing in March 2012 round for groundbreaking in Summer 2012.



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# Questions or Comments?



Mission Blvd.



Mission Blvd.

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