

# Memorandum

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 20-21, 2016

Reference No: 2.4d.(2)  
Action Item

From: NORMA ORTEGA  
Chief Financial Officer

Prepared by: Jennifer S. Lowden, Chief  
Division of Right of Way  
and Land Surveys

Subject: **DIRECTOR'S DEED – REQUEST TO DIRECTLY NEGOTIATE A DIRECT SALE TO VALLEY OAKS PARTNERS, LLC**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) approve a request to negotiate directly to sell an excess property to Valley Oaks Partners, LLC. It is in the Department's best interest to sell this property by direct negotiations rather than competitive bidding because the highest and best use of the property is as plotted to an adjacent property for which Valley Oaks Partners, LLC has an option to purchase.

## **BACKGROUND:**

The subject property is a vacant and unimproved remnant from the Mission Boulevard (SR 238) widening project. It is of a size and shape that does not meet the standard for development in the neighborhood. Selling the property to other than the anticipated purchaser of the adjoining property would negatively affect the adjoining property's development potential. If purchased by that same party, the subject property would allow the adjoining property to be maximally developed and realize the highest value to both the subject property and the adjoining property.

This proposed direct sale is consistent with the intent of Commission Resolution G-98-22, paragraph 2.1A. The Department cannot, however, proceed with this sale under that section because the proposed purchaser is not currently the owner of the adjoining property. Rather, the proposed purchaser owns an option to purchase from the current adjoining owner and is seeking development approval from the city of Hayward. With Commission approval of the terms to negotiate directly, the proposed purchaser will include the subject property in that development proposal.

With the subject property included in the development proposal, the proposed purchaser will seek development entitlements with the city of Hayward. Provided that request is successful, the Department will return to the Commission for ministerial approval of the Director's Deed for the subject property. There is no risk to the Department in seeking this approval. In the event the city of Hayward rejects the development proposal, the subject property will suffer no loss in value relative to the Department's alternate disposal options, nor is there a lost opportunity cost.

### **BEST INTEREST**

The Department requests approval to pursue direct negotiations with Valley Oaks Partners, LLC, for the following reasons:

- A sale to Valley Oaks Partners, LLC would yield the highest return to the State Highway Account for the disposal of the subject property.
- The inclusion of the subject property in Valley Oaks Partners, LLC's development proposal would reduce blight in the community in general and on the subject property specifically.
- If the subject property were not sold to Valley Oaks Partners, LLC, the Department would be left with a property that is substandard in size with an irregular shape that severely impinges on the property's market potential.

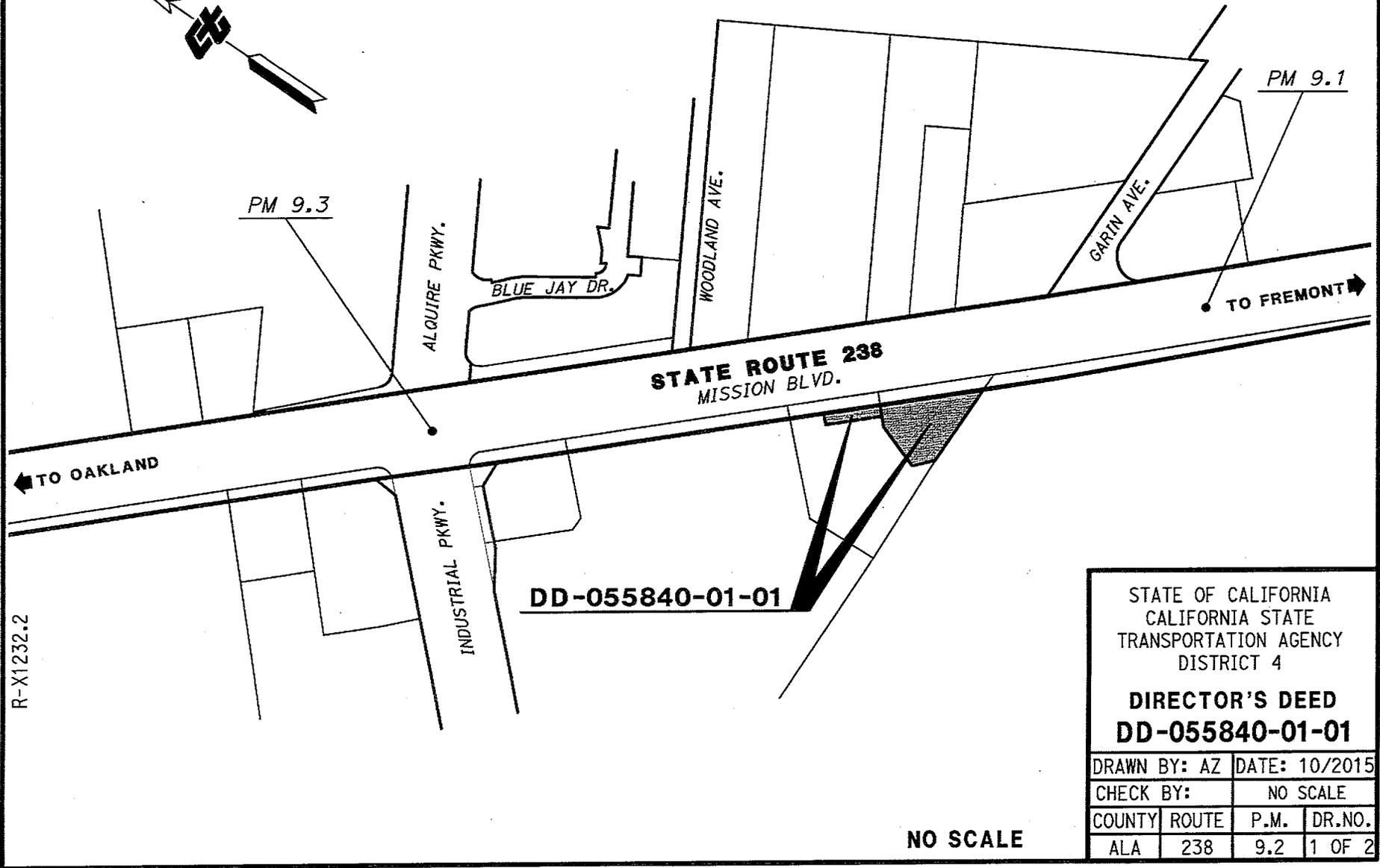
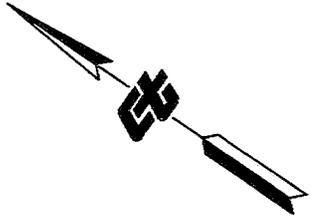
### **SUMMARY**

It is in the Department's best interest to pursue a direct sale to Valley Oak Partners, LLC. The development as proposed by Valley Oak Partners, LLC will reduce blight in the community, relieve the Department of the maintenance and liability obligation for an excess property, and provide the highest return to the Department.

Attachment A1, A2: Location Maps

Attachment B: Proposed Development Map

# CITY OF HAYWARD



R-X1232.2

**DD-055840-01-01**

STATE OF CALIFORNIA CALIFORNIA STATE TRANSPORTATION AGENCY DISTRICT 4			
<b>DIRECTOR'S DEED</b>			
<b>DD-055840-01-01</b>			
DRAWN BY: AZ		DATE: 10/2015	
CHECK BY:		NO SCALE	
COUNTY	ROUTE	P.M.	DR.NO.
ALA	238	9.2	1 OF 2

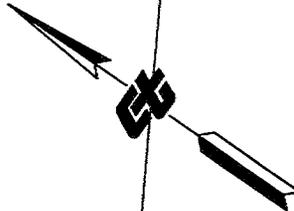
**NO SCALE**

Attachment A1

Attachment A1

Bearings and distances are on CCS 1983, Zone 3, Epoch 1991.35. Distances and Stationing are in grid. Multiply by 1.0000637 to obtain ground distances. All distances are in feet unless otherwise noted.

# CITY OF HAYWARD



WOODLAND AVE.

PM 191  
47 MAPS 93

S41°21'30"E

**DD-055840-01-01**

**STATE ROUTE 238**  
MISSION BLVD.

S48°38'30"W  
19.07'

N48°38'30"E  
30.93'

P.O.C.

16.40'

S41°21'30"E  
80.26'

147.67'

S41°21'30"E

PARCEL 1A  
55840-1

DOC #2001366412  
09/25/2001

055840-01-01  
**PARCEL 1**  
8,754 SQ. FT.

129.00'

N48°38'30"E  
16.40'

055841-X3-X1  
SLOPE EASEMENT  
**PARCEL 2**  
1,316 SQ. FT.

N21°00'34"E  
70.00'

55841-3  
PARCEL 1C  
SLOPE EASEMENT  
DOC #2002356946  
08/16/2002

N89°07'10"W 121.73'

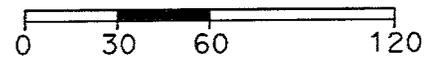
N46°11'44"W  
33.50'

N41°21'30"W  
80.26'

**LEGEND**

P.O.C. Point of COMMENCEMENT

SCALE: 1" = 60'



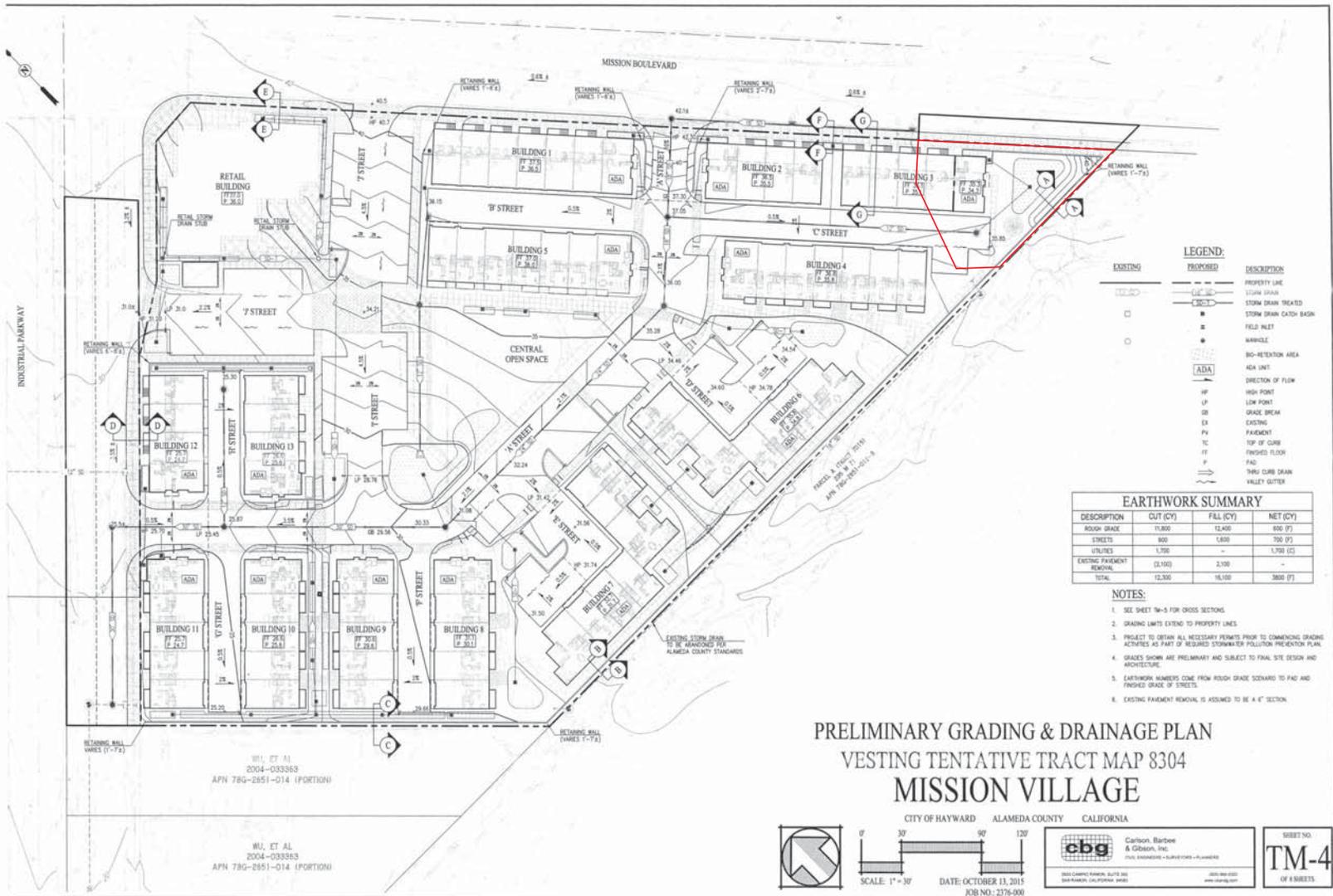
STATE OF CALIFORNIA  
CALIFORNIA STATE  
TRANSPORTATION AGENCY  
DISTRICT 4

**DIRECTOR'S DEED**  
**DD-055840-01-01**

DRAWN BY: AZ		DATE: 10/2015	
CHECK BY:		SCALE: 1"=60'	
COUNTY	ROUTE	P.M.	DR.NO.
ALA	238	9.2	2 OF 2

R-X1232.2

Attachment A2



**LEGEND:**

EXISTING	PROPOSED	DESCRIPTION
---	---	PROPERTY LINE
---	---	STORM DRAIN
---	---	STORM DRAIN TREATED
---	---	STORM DRAIN CATCH BASIN
---	---	FIELD PALET
---	---	MANHOLE
---	---	BO-RETENTION AREA
---	---	ADA UNIT
---	---	DIRECTION OF FLOW
---	---	HIGH POINT
---	---	LOW POINT
---	---	GRADE BREAK
---	---	EXISTING
---	---	PAVEMENT
---	---	TOP OF CURB
---	---	FINISHED FLOOR
---	---	PAV
---	---	TANK CURB DRAIN
---	---	VALLEY CUTTER

**EARTHWORK SUMMARY**

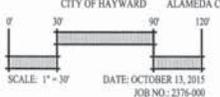
DESCRIPTION	OUT (CY)	FILL (CY)	NET (CY)
ROUGH GRADE	11,800	12,400	600 (F)
STREETS	800	1,800	700 (F)
UTILITIES	1,700	-	1,700 (C)
EXISTING PAVEMENT REMOVAL	(2,100)	2,100	-
TOTAL	12,300	16,300	3800 (F)

- NOTES:**
- SEE SHEET TM-5 FOR CROSS SECTIONS
  - GRADING LIMITS EXTEND TO PROPERTY LINES
  - PROJECT TO OBTAIN ALL NECESSARY PERMITS PRIOR TO COMMENCING GRADING ACTIVITIES AS PART OF REQUIRED STORMWATER POLLUTION PREVENTION PLAN
  - GRADES SHOWN ARE PRELIMINARY AND SUBJECT TO FINAL SITE DESIGN AND ARCHITECTURE
  - EARTHWORK NUMBERS COME FROM ROUGH GRADE SCENARIO TO PAD AND FINISHED GRADE OF STREETS
  - EXISTING PAVEMENT REMOVAL IS ASSUMED TO BE A 4" SECTION

**PRELIMINARY GRADING & DRAINAGE PLAN**  
**VESTING TENTATIVE TRACT MAP 8304**  
**MISSION VILLAGE**

WU, ET AL  
 2004-033963  
 APN 786-2651-014 (PORTION)

WU, ET AL  
 2004-033963  
 APN 786-2651-014 (PORTION)



**cbg** Carlson, Barbo  
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 SAN FRANCISCO, CALIFORNIA 94134  
 (415) 778-8500  
 www.carlsoncbg.com

SHEET NO.  
**TM-4**  
 OF 8 SHEETS

Attachment B