

ORDINANCE NO. 2524

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY APPROVING THE THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF REDWOOD CITY AND 1548 MAPLE, LLC

WHEREAS, Government Code Sections 65864 through 68569.5 provide the statutory authority for development agreements, including amendments thereto, between municipalities and owners of real property; and

WHEREAS, the City of Redwood City ("City") and 1548 Maple, LLC ("Developer") are parties to a Development Agreement approved by City Council Ordinance No. 2445 adopted on May 21, 2018 ("Original Development Agreement"), as amended by two minor Insubstantial Amendments to the Development Agreement: a First Amendment to Development Agreement dated February 22, 2021 ("First Amendment") and a Second Amendment to Development Agreement dated January 24, 2022 ("Second Amendment"); and

WHEREAS, the Original Development Agreement as amended by the First Amendment and Second Amendment is hereinafter referred to as the "Development Agreement"; and

WHEREAS, the Development Agreement addresses development of a 131 market-rate townhome development with open space, streets, walkways, parking areas, bay trail improvements, waterfront amenities, and other on- and off-site infrastructure ("Project") on that certain real property located at 1548 Maple Street (Assessor Parcel numbers 052-532-010, 052-532-020 & 052-532-030), Redwood City, CA ("Property"); and

WHEREAS, the Development Agreement requires Developer to, among other things, construct three segments of an extension of Blomquist Street from Maple Street to Redwood Creek, with Developer's obligation to construct one of the three segments, the Blomquist-County Segment, conditioned on City acquiring within a specified time frame the necessary right-of-way for such segment from the County of San Mateo ("County"); and

WHEREAS, City, Developer and County worked diligently and in good faith during 2020 and 2021 to negotiate a tri-party agreement among City, County and Developer ("Tri-Party Agreement") and various other ancillary agreements, which provided, among other things, for (i) County to convey to City certain County-owned property at 1580 Maple Street including the necessary right of way area for the Blomquist-County Segment, in exchange for City's conveyance to County of certain City-owned property located at 1469 Maple Street, and (ii) Developer to demolish the existing improvement on the 1580 Maple Street property following County vacation thereof with the costs of such demolition shared by County, City and Developer; and

WHEREAS, the COVID-19 pandemic substantially impeded Developer's ability to complete various pre-development tasks during the 5-year Initial Term of the Development Agreement; and

WHEREAS, Developer also claims that a lawsuit filed on August 2, 2018 and dismissed on October 15, 2018 resulted in a Force Majeure Delay that extended the Initial Term by seventy-four (74) days ("Litigation Force Majeure Delay"); and

WHEREAS, in light of the delays associated with the lengthy negotiations around the Tri-Party Agreement and the substantial disruptions, including supply chain disruptions, resulting from the COVID-19 pandemic, Developer has requested a three year extension of the 5-year Initial Term of the Development Agreement in exchange for Developer waiving force majeure related claims that might otherwise have been applicable prior to the date of the Third Amendment (defined below), with the exception of the Litigation Force Majeure Delay; and

WHEREAS, Developer and City desire to enter into a Third Amendment to Development Agreement in the form attached hereto as Exhibit A ("Third Amendment") to, among other things, acknowledge the Litigation Force Majeure Delay, extend the 5-year Initial Term of the Development Agreement by three (3) years to a total of 8 years in light of the above described delays in implementing the Project such that the Initial Term will now expire 8 years from the Effective Date of the Development Agreement, provide Developer the flexibility to phase construction of the Bay Trail with the townhome units fronting said Bay Trail on the condition that Developer ensure continuous pedestrian and bicycle access via the Blomquist bike lanes during periods that the planned Bay Trail is closed for construction; and

WHEREAS, the Third Amendment is a major amendment requiring public hearings before the Planning Commission and the City Council because it extends the Term of the Development Agreement; and

WHEREAS, the Planning Commission, at a duly noticed public hearing, adopted a resolution recommending that the City Council approve the Third Amendment to the Development Agreement between the City and 1548 Maple, LLC; and

WHEREAS, pursuant to California Government Code Section 65867, notices of the public hearing for this ordinance were mailed to the owner of the Property and all owners of real property shown on the latest equalized assessment roll within 300 feet of the Property at least ten (10) days prior to the hearing and a notice was published in the San Mateo Daily Journal at least ten (10) days prior to the hearing; and

WHEREAS, on May 22, 2023, the City Council held a public hearing at which time interested persons had an opportunity to provide comments on the proposed Third Amendment.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF REDWOOD CITY DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The recitals set forth above are true and correct and are hereby incorporated herein by this reference as if fully set forth in their entirety.

SECTION 2. Pursuant to California Government Code Sections 65867.5 and 65868, the City Council finds that:

(a) The provisions of the Third Amendment are consistent with the general plan and any applicable specific plan.

Basis for the finding: The Third Amendment links the timing of construction of the Bay Trail with the timing of construction for the residential units to ensure that City receives this amenity close in time to completion of residential units that it would serve. The Development Agreement also continues to provide for Developer's construction of all three segments of the Blomquist Street extension. The Bay Trail and Blomquist Street extension are consistent with general plan policy BE29.9; support increasing the connectivity of all travel modes in the areas east of US 101, Program BE -68; develop plans to extend Blomquist Street to East Bayshore Road to provide a continuous roadway east of US 101 between Woodside Road and Whipple Avenue interchanges, Policy BE -10. 1; require waterfront neighborhoods provide public access along water edges to public open spaces and trails and to vista points, as integral parts of neighborhood development and Policy BE -10.7; and improve pedestrian, bicycle, transit and automobile linkages between bayfront and areas west of US 101.

SECTION 3. The City Council certified the Environmental Impact Report for the Project and the associated Mitigation Monitoring and Reporting Program and later approved an Addendum to the Environmental Impact Report for the Project on September 27, 2021. The Third Amendment does not propose substantial changes to the Project and there are no substantial changes with respect to circumstances under which the Project would be undertaken or new information of substantial importance of the kind that would require additional environmental review pursuant to Section 15162 of the CEQA Guidelines.

SECTION 4. The City Council hereby approves and adopts the Third Amendment as presented to the City Council at the May 22nd and June 12th regular City Council meetings, filed and made available at the Office of the City Clerk, and attached hereto as Exhibit A. The City Manager is hereby authorized and directed to execute the Third Amendment on behalf of the City of Redwood City, with minor conforming or technical revisions as may be approved by the City Manager in consultation with the City Attorney.

SECTION 5. The City Clerk shall publish this Ordinance in accordance with applicable law.

SECTION 6. This Ordinance shall be effective thirty (30) days after its adoption.

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At a Joint City Council/Successor Agency Board/Public Financing
Authority Meeting thereof held on the 12th day of June 2023 by the following
votes:

AYES, and in favor of the passage and adoption of the foregoing ordinance:

AYES: Aguirre, Eakin, Howard, Sturken and Mayor Gee

NOES: None

ABSENT: Espinoza-Garnica

ABSTAINED: None

RECUSED: Martinez Saballo



Jeff Gee
Mayor of the City of Redwood City

Attest:



Pamela Aguilar, CMC
City Clerk of Redwood City

I hereby approve the foregoing Ordinance
this 14th day of June 2023.



Jeff Gee
Mayor of the City of Redwood City