

RESOLUTION NO. 16039

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF REDWOOD CITY AND IQHQ ELCO YARDS, L.P. FOR 1306 MAIN STREET

WHEREAS, on November 16, 2020, the City Council approved Architectural Permit, Planned Development Permit, Downtown Planned Community Permit, Use Permit, Vesting Tentative Map, Concessions, Bonuses and Parking Ratios under the State Density Bonus Law, and an Affordable Housing Plan for the South Main Mixed-Use Project (“South Main Project”), which includes 530,000 sq. ft. of office, 540 residential units (including 147 affordable units), 28,000 sq. ft. of retail, 8,400 sq. ft. of childcare and 40,000 sq. ft. of publicly-accessible open space; and

WHEREAS, on November 16, 2020, the City Council also approved the Purchase and Sale Agreement and Joint Escrow Instructions (the “1306 Main Purchase Agreement”) between the City of Redwood City (“City”) and Greystar GP II, LLC (“Greystar”) for 1306 Main Street (“Property”) to be developed as part of the South Main Project; and

WHEREAS, on October 29, 2021, with City’s prior written approval, Greystar entered into a Partial Assignment and Assumption of 1306 Main Purchase Agreement with IQHQ Elco Yards, L.P. (“IQHQ”), pursuant to which (among other things) IQHQ assumed all obligations and liabilities related to 1306 Main and Greystar retained all obligations and liabilities related to 1304 El Camino Real; and

WHEREAS, IQHQ wishes to designate a third party, Benjamin Kopf Holding Co., to be named as the “grantee” under the “Deed” (as defined in the 1306 Main Purchase Agreement), and City is willing to agree to name such third party as the “grantee” under the Deed, as provided in the First Amendment to 1306 Main Purchase Agreement, attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDWOOD CITY AS FOLLOWS:

Section 1. Evidentiary Basis: The City Council, having independently heard, considered, and weighed all the evidence in the record, finds that the above recitals are accurate and constitute findings in this matter and, together with the staff report and the First Amendment to Purchase and Sale Agreement have served as an adequate and appropriate evidentiary basis for the findings and actions set forth in this resolution.

Section 2. First Amendment to Purchase and Sale Agreement: The City Council hereby authorizes and directs the City Manager to execute the First Amendment to Purchase and Sale Agreement, subject to any minor, clarifying and conforming changes approved by the City Attorney. The City Council further authorizes the City Manager to take all actions necessary to carry out the 1306 Main Purchase Agreement as amended by the First Amendment to Purchase and Sale Agreement for the development of the South Main Project.

Section 3. This resolution is effective upon its adoption.

* * *

Passed and adopted by the Council of the City of Redwood City at a
Joint City Council/Successor Agency Board/Public Financing Authority Meeting
thereof held on the 25th day of April 2022 by the following votes:

AYES: Aguirre, Espinoza-Garnica, Howard, Reddy, Smith and
Mayor Hale

NOES: None

ABSENT: None

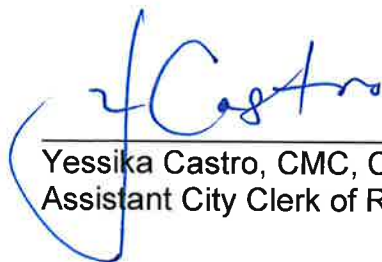
ABSTAINED: None

RECUSED: Gee



Giselle Hale
Mayor of the City of Redwood City

Attest:



Yessika Castro, CMC, CPMC
Assistant City Clerk of Redwood City

I hereby approve the foregoing resolution this
26th day of April 2022.



Giselle Hale
Mayor of the City of Redwood City

FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT (this "Amendment") is entered into as of _____, 2022, by and between the City of Redwood City, a charter city and municipal corporation ("Seller"), and IQHQ ELCO YARDS, L.P., a Delaware limited liability company ("Buyer").

Recitals

A. Seller and Greystar GP II, LLC, a Delaware limited liability company ("Greystar"), entered into that certain Purchase and Sale Agreement and Joint Escrow Agreement dated as of November 16, 2020 (the "Purchase Agreement"), pursuant to which (among other things) Seller agreed to sell and Greystar agreed to purchase that certain real property located at 1306 Main Street, Redwood City, CA (A.P.N. 053-184-010), as more particularly described therein (the "Property").

B. Greystar and Buyer entered into that certain Partial Assignment and Assumption of 1306 South Main Purchase and Sale Agreement dated as of October 29, 2021 (the "Assignment"), pursuant to which (among other things) Greystar assigned to Buyer, and Buyer assumed from Greystar, the right and obligation to purchase the Property from the Seller pursuant to the Purchase Agreement.

C. Seller signed that certain Consent to Assignment of 1306 South Main Purchase and Sale Agreement dated as of October 26, 2021 (the "Consent"), pursuant to which City consented to the Assignment of the Purchase Agreement to IQHQ Acquisitions, LLC, a Delaware limited liability company, or its affiliate. Buyer is an affiliate of IQHQ Acquisitions, LLC. Accordingly, Buyer is now the "Buyer" under the Purchase Agreement.

D. Buyer wishes to designate a third party to be named as the "grantee" under the "Deed" (as defined in the Purchase Agreement), and Seller is willing to agree to name such third party as the "grantee" under the Deed, as provided in this Amendment.

E. Capitalized terms that are used but not defined in this Amendment will have the meanings given to them in the Purchase Agreement.

Agreement

NOW, THEREFORE, the parties agree as follows:

1. Designation of Grantee. Buyer hereby designates Benjamin Kopf Holding Co., a California corporation (the "Designated Grantee"), as the party to be named as the "grantee" under the Deed, and Seller agrees to name such corporation as the "grantee" under the Deed. The Designated Grantee hereby agrees to be bound by Section 4.5.4 of the Purchase Agreement regarding the condition of the Property and by consenting to this First Amendment joins in the release of the Seller pursuant to Sections 4.5.4 and 10.5 of the Purchase Agreement, the indemnification of the Seller in Section 15.2 of the Purchase Agreement, and agrees that Section 16.15 of the Purchase Agreement shall apply if either Seller or Designated Party brings an action against the other.

2. No Release of Buyer. Notwithstanding the designation of such corporation as the “grantee” under the Deed, Buyer agrees that it is not being released from any obligations under the Purchase Agreement and that it remains solely responsible for performing all obligations to be performed by Buyer under the Purchase Agreement.

3. Final Map Recording. Seller agrees that the recording of the Final Map for the Development (the “Final Map”) will satisfy the requirements of Section 8.3.1 of the Purchase Agreement. Furthermore, notwithstanding Section 8.3.1 of the Purchase Agreement, Seller agrees that the Closing may occur, and the Deed may be recorded, prior to the recordation of the Final Map, as long as the following conditions are satisfied:

- a. The City Council of the City has approved the Final Map;
- b. The Deed and the Final Map (among other documents including Landscape Maintenance Agreements, Stormwater Treatment Measures Maintenance Agreements, Improvement in Right of Way, Release and Hold Harmless Agreement, Subdivision Improvement Agreement and Regulatory Agreement and Declaration of Restrictive Covenants) will be recorded concurrently as part of a single closing, with the Deed being recorded first and the Final Map being recorded after the Deed but on the same day; and
- c. Escrow instructions relating to the recording of the Deed and the Final Map have been approved by City, and require the Escrow Holder to cause the Deed and the Final Map to be recorded in the order described above.

4. Except as expressly amended by this Amendment, the Purchase Agreement remains in full force and effect without modification.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the date first set forth above.

SELLER:

CITY OF REDWOOD CITY,
a charter city and municipal corporation

By: _____

Name: _____

Title: _____

Date of Signature: _____

ATTEST:

Pamela Aguilar, City Clerk

BUYER:

IQHQ ELCO YARDS, L.P.,
a Delaware limited partnership

By: _____

Name: _____

Title: _____

Date of Signature: _____

THE DESIGNATED GRANTEE HEREBY SIGNS THIS AMENDMENT FOR THE SOLE PURPOSE OF INDICATING ITS CONSENT TO ACCEPT THE CONVEYANCE OF THE PROPERTY AND ITS AGREEMENTS STATED IN SECTION 1 OF THIS AMENDMENT.

BENJAMIN KOPF HOLDING CO.,
a California corporation

By: _____

Name: _____

Title: _____

Date of Signature: _____