



Legislation Details (With Text)

File #: 18-162 **Version:** 1 **Name:** Shoreline ENRA Amendment - SR
Type: Staff Report **Status:** Filed
In control: City Council
On agenda: 4/16/2018 **Final action:** 4/16/2018
Enactment date: **Enactment #:**
Title: Staff Report for a Resolution Approving the First Amendment to the Exclusive Negotiating Rights Agreement by and between Cal-Coast Companies LLC and the City of San Leandro Relating to Development of the San Leandro Marina-Shoreline Project

Indexes:

Code sections:

Attachments: 1. Shoreline ENRA Extension 4-16-18 copy copy copy

Date	Ver.	Action By	Action	Result
4/16/2018	1	City Council	Received and Filed	

Staff Report for a Resolution Approving the First Amendment to the Exclusive Negotiating Rights Agreement by and between Cal-Coast Companies LLC and the City of San Leandro Relating to Development of the San Leandro Marina-Shoreline Project

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council adopt a Resolution that approves a First Amendment to the Exclusive Negotiating Rights Agreement (ENRA) with Cal-Coast Companies LLC (Cal-Coast) for development of the San Leandro Marina-Shoreline Project.

BACKGROUND

In October 2008, following a Request for Proposal process, the City entered into a three year Exclusive Negotiating Rights Agreement (ENRA) with Cal-Coast for the development of an approximately 75-acre opportunity site at the City’s Shoreline. This original agreement expired in 2011. The current ENRA was established on April 2, 2012 and included a three year term with the ability to extend twice for an additional 18 months for a total of up to six years.

The current ENRA provides a framework for development of the San Leandro Marina-Shoreline Project and addresses specifics regarding project scope, developer and city responsibilities, phasing, and cost sharing. During the term of this agreement, the City and Cal-Coast have worked to prepare plans, studies, and financial analysis in order to fine-tune the scope of the project and negotiate terms and conditions for its development. Based on negotiations, staff input and CEQA environmental analysis to date, the scope of the project has evolved and changed to better meet the needs of the community.

During this time, a number of steps have been taken to further development of the project, including:

- Numerous public meetings with the Shoreline Development Citizens Advisory Committee (CAC) and other groups

- Certification of the Shoreline Development Project Environmental Impact Report
- General Plan Map Amendment and Rezoning for future development of the Shoreline Development Project
- Review by the Bay Conservation and Development Commission (BCDC)
- Updates to project elements and details based upon various factors, including feasibility and market analysis, environmental review, and BCDC review
- Response to, and successful conclusion of, lawsuit filed by the Coalition for the San Leandro Shoreline
- Negotiation of terms for public-private Development Agreement
- Planning and funding of public improvements associated with project, including construction of a new Mulford-Marina Branch Library, harbor basin decommissioning and redevelopment, and Marina Boulevard streetscape

Analysis

In order to allow for completion of negotiations and preparation of project plans, an amendment to the ENRA is proposed at this time. The amendment incorporates the following changes to the agreement:

- Extension of the term of the agreement for up to ten additional months to February 2, 2019, with an additional extension of up to four months to June 2, 2019.
- Changes to the project description to include the current project elements:
 - 200-225 room hotel with outdoor space;
 - Approximately 5,000 square foot restaurant;
 - Approximately 7,500 square foot quality full-service restaurant with second floor banquet facility;
 - Market/café/bait shop;
 - Up to 285 multi-family rental units;
 - Up to a total of 215 two and three story townhomes and single family homes along the 9-hole golf course;
 - 9 Hole Executive Golf Course Re-Design and Re-Construction; and
 - Approximately 18.6 acre Monarch Bay Park.
- Removal of specific plans for Harbor Basin redevelopment, as plans will be based on site conditions and available budget.
- Inclusion of a requirement that the developer prepare a plan and budget for the redesign of the nine hole executive golf course at the Monarch Bay Golf Club by July 1, 2018 in order to allow for public review and project planning and budgeting.
- Update of the project timeline, to include:
 - EIR Addendum - May 2018

- Development Agreement, and associated documents, including but not limited to, Ground Leases, Purchase & Sale Agreement for Excess Golf Course Land
 - Lease Negotiations, Market & Feasibility Studies - On-going
 - Appraisal Parameters Established - April - May 2018
 - Appraisal of Excess Golf Course Land - July 2018
 - Golf Course & Park Design and Cost Estimates - July 1, 2018
 - Development Agreement Documents Finalized- September 30, 2018
 - Development Agreement Approval- Concurrent with or following project entitlements
- Permitting
 - Meeting with Agencies - On-going
 - BCDC Design Review Board Approval - Sept. 2018
 - BCDC Application Approved - Winter 2018
- Planned Development/Vesting Tentative Map
 - Community Meetings - As needed
 - Designs Submitted (Design Development) - August 2018
 - Planning Commission & City Council Work Session- If needed
 - Planning Commission & City Council Public Hearing - Fall 2018
- Construction Drawings Submitted (Grading) - Fall 2018
- Ground Break/Demo & Grading - Fall 2018
- Construction - Spring 2019

Previous Actions

- On September 26, 2016, and October 9, 2017, project updates were provided to the City Council, providing information on current project scope and process, BCDC review, and next steps.
- On July 20, 2015, the City Council adopted a resolution amending the General Plan Land Use Designation for Approximately 12 Acres of the San Leandro Shoreline Development Project.
- On July 20, 2015, the City Council adopted a resolution certifying the Environmental Impact Report, and associated documents under CEQA, for the San Leandro Shoreline Development Project.
- On April 2, 2012, the City Council adopted a resolution approving an amendment to the ENRA with Cal Coast for development of the Marina-Shoreline Area.
- On October 4, 2010 the City Council approved a Consultant Services Agreement with ESA for preparation of a Harbor Basin Alternative Study.
- On November 10, 2008 the City Council ratified the appointment of 33 individuals as Shoreline Development Citizens Advisory Committee Members.
- On October 20, 2008 the City Council adopted a resolution approving the original ENRA with Cal Coast.

- At the October 15, 2007 City Council meeting, Council approved the RFQ for a Master Developer for the Marina-Shoreline Area.

Environmental Review

On July 20, 2015, the City Council adopted a resolution certifying the Environmental Impact Report (EIR), Adopting Mitigation Findings, Findings Concerning Alternatives, a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program Under CEQA for the San Leandro Shoreline Development Project (PLN2013-00040). An Amendment to the EIR based upon updated project scope is being prepared for review and approval.

Legal Analysis

The amendment to the ENRA has been reviewed and approved as to form by the City Attorney's Office.

Fiscal Impacts

The allocation of the cost of project plans and studies, fiscal analysis, and agreements and other legal and technical documents is outlined in the negotiating agreement. The City's share of costs, which includes legal review, consulting, studies, appraisals, and public meetings, is to be allocated from budgeted funds in the City's Capital Improvement Budget. The impact of the development of the project on the City's General Fund revenue and expenditures is being evaluated and will be presented to the City Council in the future.

Budget Authority

The FY 2017-18 Capital Improvements Budget includes funding for legal and consulting costs associated with review and preparation of Shoreline project documents which are the responsibility of the City.

Attachment(s) to Resolution

- First Amendment to Exclusive Negotiating Rights Agreement

PREPARED BY: Katie Bowman, Economic Development Manager, Community Development Department