



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: October 19, 2021

TO: Christine Daniel, City Manager

FROM: Charles S. Bryant, Community Development Director

SUBJECT: **Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Execute A Second Amendment To The Exclusive Right To Negotiate Agreement With EAH, Inc. ("ERN") For The Purpose Of Negotiating A Lease Disposition And Development Agreement For The Redevelopment And Operation Of 4300 San Pablo Avenue As Intergenerational Housing To: (1) Extend The ERN Term To January 22, 2022, (2) Authorize An Additional 180 Day Extension If Needed, And (3) Authorize the Execution of Additional Minor Amendments As Necessary To Effectuate The Purpose Of The ERN**

RECOMMENDATION

Staff recommends that the City Council adopt the above-entitled resolution.

BACKGROUND

Subsequent to a Request for Qualifications and Proposals ("RFQ/P") for the design, construction and operation of 4300 San Pablo Avenue as an intergenerational affordable housing project, at its July 21, 2020, meeting, the City Council adopted Resolution No. 20-85, selecting EAH as the developer and authorizing the City Manager to execute an Exclusive Right to Negotiate agreement with EAH (the "ERN"). The ERN was originally set to expire on April 27, 2021, and pursuant to Section 2.2 of the ERN, the City executed a First Amendment to the ERN, extending its term to October 22, 2021.

DISCUSSION

During the course of the ERN, the parties identified certain physical and legal constraints of construction of intergenerational housing at 4300 San Pablo Avenue. However, the approval of Senate Bill (SB) 591, recently signed by the Governor, will eliminate those constraints. The parties had paused development of the Lease Disposition and Development Agreement while they awaited the outcome of SB 591. Since the Governor signed the bill, the parties now wish to resume negotiations. The attached resolution extends the term of the ERN to January 20, 2022; authorizes the City Manager to execute an additional amendment to extend the term of the ERN as provided for in Section 2.2, provided the cumulative amendments do not exceed 180 days; and authorizes the City Manager to execute minor amendments to the ERN as may be necessary to effectuate its purpose.

FISCAL IMPACT

There is no fiscal impact associated with the execution of the proposed second amendment to the ERN.

STAFF COMMUNICATION WITH THE PUBLIC

None.

CONFLICT OF INTEREST

None.

CONCLUSION

Staff recommends that the City Council adopt the proposed resolution authorizing the amendment of the ERN with EAH to extend the term of the ERN.

PREPARED BY: Chadrick Smalley, Economic and Housing Division Manager

APPROVED AND FORWARDED TO THE CITY COUNCIL OF THE CITY OF EMERYVILLE:



Christine Daniel, City Manager

ATTACHMENTS

1. Executed ERN
2. First Amendment to ERN
3. Draft Resolution, including Exhibit A – Second Amendment to ERN