

## ORDINANCE NO. 620

AN ORDINANCE OF THE CITY OF FOSTER CITY APPROVING THE THIRD (MAJOR) AMENDMENT TO THE PILGRIM TRITON MASTER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FOSTER CITY AND AREOF VI US PILGRIM-TRITON LLC, SUMMERHILL WAVERLY, LLC PILGRIM TRITON PHASE II FC LP AND THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY -- IN NEIGHBORHOOD PT – (APN: 094-010-520, -560, -840, -850, 860; 094-010-760, -780, 790) – DA-08-001B

### CITY OF FOSTER CITY

WHEREAS, in accordance with California Government Code sections 65864 *et seq.* (the "Development Agreement Statute"), which authorizes cities to enter into agreements for the development of real property with any person having a legal or equitable interest in such property in order to establish certain development rights, the City of Foster City ("City") enacted Resolution No. 80-73 to implement procedures for the processing and approval of development agreements; and

WHEREAS, the Development Agreement Statute and Resolution No. 80-73 require the City to hold a public hearing and make findings that the provisions of the development agreement and its purposes are consistent with the goals, policies, standards and land use designations specified in the General Plan; and

WHEREAS, the Pilgrim Triton Master Development Agreement was effective on February 11, 2010 entered into by the Developers of the Pilgrim Triton Master Plan, including AMB Institutional Alliance Fund III, L.P., Foster City Executive Park Partners, and the Northwestern Mutual Life Insurance Company (collectively, the "Developers") that owned approximately  $\pm 20.75$  acres of adjacent real property in Foster City ("Property") and proposed a project that entails the development under a mixed-use master plan of up to 296,000 square feet of commercial/industrial office use and up to 730 residential units, including up to 64 live/work commercial units; and

WHEREAS, Developers and the City entered into a Master Development Agreement ("Master Development Agreement") in order to provide Developers with some certainty in the land use regulatory process and to promote the development of the Property which will provide public benefits to the City, including the provision of housing and needed infrastructure for area growth; and

WHEREAS, Pilgrim Triton Phase III FC, LP (PTPIII) acquired an approximately 4.78 acre portion of the Property previously owned by AMB Property Corporation, designated as APNs 094-010-520 and 094-010-860 including the parcel designated in the Pilgrim Triton Master Development Agreement as Phase C (APN 094-010-520) and Parcel C of Phase B (APN 094-010-860), collectively the "PTPIII Property;" and

WHEREAS, PTPIII has proposed a development of up to 70 for sale market rate residential townhomes (including the 17 that are currently entitled on the PTPIII Property) together with twenty-two (22) affordable multi-family housing units in a stand-

alone surface parked building on the PTPIII Property and completion of the Triton Park Plaza ("Remainder Park"); and

WHEREAS, PTPIII has proposed an amendment to the Pilgrim Triton Master Development Agreement to incorporate the changes proposed by PTPIII for the PTPIII Property; and

WHEREAS, in exchange for the PTPIII Project Approvals and City's agreement to amend the Master Development Agreement, PTPIII has agreed to (1) develop the Workforce Project and the Remainder Park concurrently with the first townhome units of the Market Rate Project; (2) grant the City an option to purchase the Workforce Project once complete; and (3) execute, acknowledge and record a Regulatory Agreement to ensure the long-term affordability of the Workforce Project; and

WHEREAS, a Notice of Public Hearing was duly posted, published, and mailed for consideration of the proposed Third Amendment (Major) to the Pilgrim Triton Master Development Agreement at the Planning Commission meeting of July 19, 2018, and on said date the Public Hearing was opened, held and closed and the item continued to the Public Meeting of August 2, 2018 at which time the Planning Commission recommended approval by adoption of Resolution P-12-18; and

WHEREAS, a Notice of Public Hearing was duly posted, published, and mailed for consideration of the proposed Third Amendment (Major) to the Pilgrim Triton Master Development Agreement at the City Council meeting of September 17, 2018, and on said date the Public Hearing was opened, held and closed.

NOW, THEREFORE, BE IT ORDAINED by the City Council as follows:

Section 1. Findings. The City Council hereby makes the following findings:

1. The proposed Third Amendment (Major) to the Pilgrim Triton Master Development Agreement is consistent with the adopted City of Foster City General Plan and its goals, policies, standards and land use designations; and
2. The proposed Third Amendment (Major) to the Pilgrim Triton Master Development Agreement is in the public interest in that it offers PTPIII the assurance needed in order to plan, finance, schedule and construct the PTPIII Project in accordance with approved plans and that the granting of such assurance to PTPIII will offer the City the best opportunity to secure the completion of the Pilgrim Triton Master Plan Project and the PTPIII Project and its resulting tax, employment and associated economic and public benefits; and
3. The proposed Third Amendment (Major) to the Pilgrim Triton Master Development Agreement preserves the City's rights to retain, via the City's usual use permit design review process subject to the terms of the proposed PTPIII Development Agreement and the Master Development Agreement, full and complete discretion with respect to design review issues.

Section 2. Third (Major) Amendment to the Pilgrim Triton Master Development Agreement. The City Council i) approves the Third Amendment (Major) to the Pilgrim Triton Master Development Agreement; and (ii) authorizes the Mayor to execute said Third Amendment (Major) to the Pilgrim Triton Master Development Agreement, and (iii) authorizes the City Manager to take such further actions and execute such documents as are necessary to carry out the transactions set forth in the Third Amendment (Major) to the Pilgrim Triton Master Development Agreement.

Section 3. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it should have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

Section 4. Taking Effect. This Ordinance shall take effect and be in force thirty (30) days from and after its adoption.

Section 5. Posting. Within fifteen (15) days after the adoption of this Ordinance, the City Clerk shall have it posted in three (3) public places designated by the City Council.

This Ordinance was introduced and read on the 17th day of September, 2018, and passed and adopted on the 1st day of October, 2018, by the following vote:

AYES: Councilmembers Bronitsky, Perez, Pollard and Mayor Hindi

NOES: None

ABSENT: Councilmember Mahanpour

ABSTAIN: None

  
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SAM HINDI, MAYOR

ATTEST:

  
\_\_\_\_\_  
PRISCILLA TAM, CITY CLERK

## CERTIFICATE OF POSTING

I, Priscilla Tam, hereby certify as follows:

That I am, and at all time herein mentioned, was the duly acting and qualified City Clerk/District Secretary of the **City of Foster City**, Foster City, San Mateo County, California.

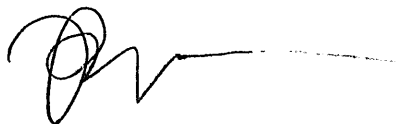
I further certify to the proper posting of:

Ordinance No. 620, "An Ordinance of the City of Foster City Approving the Third (Major) Amendment to the Pilgrim Triton Master Development Agreement Between the City of Foster City and AREOF VI Us Pilgrim-Triton LLC, Summerhill Waverly, LLC Pilgrim Triton Phase II FC LP and the Northwestern Mutual Life Insurance Company -- in Neighborhood PT -- (APN: 094-010-520, -560, -840, -850, 860; 094-010-760, -780, 790) -- DA-08-001B"

in the following three public places of the **City of Foster City**, Foster City, San Mateo County, California:

1. Recreation Center Lobby  
650 Shell Boulevard
2. Council Chambers (not a mandatory posting site)  
620 Foster City Boulevard
3. Foster City Public Library  
1000 E. Hillsdale Boulevard

Executed at the **City of Foster City**, Foster City, San Mateo County, California  
this 2<sup>nd</sup> day of October, 2018.



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Priscilla Tam  
City Clerk