




CITY COUNCIL ACTION REQUEST

| | | | |
|----------------------------------|--|--|---|
| Department(s): Housing | CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. | Coordination: CAO, CMO – Budget Office | Dept. Approval: /s/ Jacky Morales-Ferrand |
| Council District(s): 3 | | | CMO Approval:  3/17/22 |

SUBJECT: LEASE EXTENSION WITH SANTA CLARA VALLEY TRANSPORTATION AUTHORITY FOR MABURY BRIDGE HOUSING COMMUNITY

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to negotiate and execute a lease amendment to extend the lease with Santa Clara Valley Transportation Authority (VTA) for the Mabury Bridge Housing Community (BHC).

BASIS FOR RECOMMENDATION:

On December 18, 2018, the City Council authorized the City Manager to enter into a lease agreement with VTA for a property located at Mabury Road identified as Assessor Parcel Number 254-01-034 (Mabury Road property), for the City’s Mabury BHC.¹ On or about May 23, 2019, the City and VTA entered into a lease agreement for the Mabury Road property.

The lease agreement has expired and, per the agreement, both City and VTA desire to extend the lease agreement for one-year with no cost to the City through December 31, 2022. After this, the City will need to negotiate with VTA to extend the lease agreement or find another site for the BHC. VTA has indicated that the Mabury Road property will likely not be needed for Bay Area Rapid Transit - Phase Two construction needs. Therefore, a future extension of the lease agreement beyond December 2022 is likely. The City will continue to hold discussions throughout the year with VTA and keep City Council updated via an informational memorandum, if VTA is unable to extend the lease agreement, or by coming back to Council to extend the lease agreement beyond December 2022.

Climate Smart San José: The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

Commission Recommendation/Input: No Commission recommendation related to this item.

This Council item is consistent with the City’s 2021-2022 Adopted Operating Budget City Service Areas Delivery Framework: “Diverse Range of Housing Options”.

COST AND FUNDING SOURCE:

There is no cost associated with this lease extension.

FOR QUESTIONS CONTACT: Ragan Henninger, Deputy Director, Housing Department, at ragan.henninger@sanjoseca.gov.

¹ Staff report to Council December 18, 2018: <https://sanjose.legistar.com/View.ashx?M=F&ID=6830383&GUID=04EFB784-688C-45A5-804B-E85EE6D21B84>