

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER TO: (1) NEGOTIATE AND EXECUTE ALL ANCILLARY DOCUMENTS AND AGREEMENTS REFERENCED IN OR NECESSITATED BY REQUIRED UNDER THE AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT WITH MUSEUM PLACE OWNER, LLC, INCLUDING THE RECIPROCAL EASEMENT AGREEMENT, FOR THE CONSTRUCTION OF A MIXED-USE PROJECT CONSISTING OF OFFICE SPACE, RETAIL SPACE, EXPANSION SPACE FOR THE TECH INTERACTIVE, AND A GARAGE; AND (2) APPROVE FOR TRANSFER AND TRANSFER PROPERTY REQUIRED FOR THE PROJECT TO MUSEUM PLACE OWNER LLC

WHEREAS, in August 2017, the City Council of the City of San José (“City”) approved a Disposition and Development Agreement (“DDA”) with Insight King Wah, LLC to replace the aging 42,000 square foot Parkside Hall with an approximately 1.4 million square foot high rise building consisting of multiple uses including residential, commercial, and hotel space (“Project”); and

WHEREAS, on June 26, 2018, the City Council approved the assignment of the Project from Insight King Wah, LLC to Museum Place Owner, LLC (“Developer”); and

WHEREAS, on December 3, 2019, the City Council approved an Amended and Restated DDA with Museum Place Owner LLC for the construction approximately of the mixed-use Project consisting of approximately 1.1 million square feet of office space, retail space, expansion space for the Tech Interactive, and a garage; and

WHEREAS, on December 3, 2019, the City Council also approved an Amended and Restated Lease Agreement with the Tech Interactive related to the Project construction

of expansion space for the Tech Interactive and its operation upon completion, extending the term of the lease for 55 years, subject to the same conditions and requirements of the current lease and providing for the new expansion space to be incorporated into the lease; and

WHEREAS, pursuant to the DDA and in consideration of the City's transfer to the developer of City-owned property including Parkside Hall and portions of Almaden and Park Avenues, the Developer will construct and transfer back to the City a 60,475 square foot air-space parcel consisting of "Class A" commercial space, in a "Warm Shell" condition ready for build-out and use by the Tech Interactive; and

WHEREAS, the Project site is key to the ongoing modernization of downtown San José and the Project's redesign and activation of the major pedestrian corridors along Almaden Avenue and Park Avenue, and activation of the paseo connecting San Carlos to Park Avenue, will improve the pedestrian experience of the downtown area for Convention Center and other visitors; and

WHEREAS, the City desires to authorize the City Manager to negotiate and execute all ancillary documents and agreements related to the DDA, including a Parking Agreement, a Reciprocal Easement Agreement to the extent necessary to document mutual easements necessary for the Project, and an access easement for the adjacent property owner, to enable the final details outlined in the DDA as they relate to the maintenance, use, and disposition of public space to be resolved;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager is hereby authorized to:

1. Negotiate and execute all ancillary documents and agreements referenced in or ~~necessitated by~~required under the Amended and Restated Disposition and Development Agreement with Museum Place Owner, LLC approved by the City Council on December 3, 2019 for the construction of a mixed-use project consisting of office space, retail space, expansion space for the Tech Interactive, and a garage; and
2. Approve for transfer and transfer property required for the Project to Museum Place Owner, LLC.

ADOPTED this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk