



DATE: April 8, 2014

CATEGORY: Consent

DEPT.: City Attorney's Office

TITLE: **Adopt an Ordinance Cancelling a Development Agreement Between the City of Mountain View and San Antonio Station Owner, LLC, for the Property at 100 Mayfield Avenue (Second Reading)**

RECOMMENDATION

Adopt an Ordinance Cancelling a Development Agreement Between the City of Mountain View and San Antonio Station Owner, LLC, for the Property at 100 Mayfield Avenue (Attachment 1 to the Council report). (First reading: 7-0)

SUMMARY

Pursuant to Government Code Sections 65864-65869.5 and City Code Sections 36.54.05-40, the City and Lyon Homes entered into a development agreement via Ordinance No. 10.11 on June 21, 2011 for the development of up to 260 residential units at the property located at 100 Mayfield Avenue ("Development Agreement"). Lyon Homes subsequently sold the subject property to Four Corners Properties, through its entity, San Antonio Station Owner LLC ("Four Corners"), and assigned the Development Agreement to Four Corners on May 3, 2012.

Per the terms of the Development Agreement, the City agreed to freeze in place land use regulations for an extended period to allow for certainty in the development process in exchange for various community benefits from Four Corners. Four Corners recently secured a long-term commercial office lessee for the existing building on the project site and no longer plans to pursue a residential development project as contemplated by the Development Agreement. On November 14, 2013, Four Corners filed a written request with the City to cancel the Development Agreement. The Development Agreement by its terms may be cancelled by mutual agreement of the parties.

On February 26, 2014, pursuant to City Code Section 36.54.15, the Zoning Administrator held a Public Hearing, and at the conclusion of the hearing made a recommendation to the City Council to cancel the Development Agreement. On March 25, 2014, the City Council introduced an ordinance cancelling a Development Agreement between the

City of Mountain View and San Antonio Station Owner, LLC, for the property at 100 Mayfield Avenue. This is the second reading of the ordinance for the cancellation of the Development Agreement. If approved, the ordinance will become effective on May 8, 2014, 30 days after the second reading.

FISCAL IMPACT

Four Corners was required by the Development Agreement to deposit moneys with the City to fund park design in the amount of \$425,000 and traffic counts in the amount of \$60,000.

The Development Agreement provides that any unspent moneys from these deposits shall be returned to the developer. The City has spent approximately \$4,500 on preliminary work related to park design. Therefore, the balance of the deposits, approximately \$480,500, will be returned to Four Corners if the Development Agreement is cancelled.

PUBLIC NOTICING – Agenda posting.

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KC/7/CAM
011-04-08-14CR-E

Attachment: 1. Ordinance