



Recommendation for Action

File #: 23-3370, **Agenda Item #:** 13.

11/30/2023

Posting Language

Authorize negotiation and execution of a comprehensive development agreement and all other documents and instruments necessary or desirable with Catellus Development Corporation d/b/a CDC Colony Park Holdings, L.P. (Catellus) for the development of 208 acres of City-owned land located at 7900 Loyola Lane, known as the Colony Park Sustainable Community, and authorizing the expenditure of \$500,000 to reimburse Catellus for a portion of its pre-development services costs. Related to Item #107.

Lead Department

Economic Development.

Fiscal Note

Funding in the amount of \$500,000 is available in the Fiscal Year 2023-2024 Economic Development Department's Operating Budget.

Prior Council Action:

June 8, 2023 - Council approved Resolution No. 202306-08-054 relating to the Colony Park Sustainable Community Initiative and initiating changes to the existing Colony Park Planned Unit Development that is generally located in the vicinity north of Loyola Lane between Johnny Morris Road and Decker Lane. (Notes: Approved on a 10-0 vote)

November 3, 2022 - Council approved Item No. 20221103-001 authorizing the negotiation and execution of an amendment to the Exclusive Negotiating Agreement with Catellus to increase reimbursement expenditures related to for Phase 2 predevelopment services in an amount not to exceed \$2,600,000, for a total reimbursement amount not to exceed \$3,300,000. (Notes: Approved on a 11-0 vote)

November 3, 2022 -- Council approved Ordinance No. 20221103-004 creating Tax Increment Reinvestment Zone No. 20 for the Colony Park Sustainable Community to be located on City-owned land bordered on the south by a portion of Loyola Lane between Johnny Monis Road and Decker Lane, establishing a Board of Directors for the zone, and related matters.

March 24, 2022 - Council approved Resolution No. 20220304-56, affirming that the Colony Park Sustainable Community Initiative is a top priority and providing direction regarding funding, development, and cooperation with other entities related to the project. (Notes: Approved on consent on a 11-0 vote)

October 29, 2020 -- Council approved Item No. 20201029-08, authorizing negotiation and execution of an amendment to the Exclusive Negotiating Agreement with Catellus for additional reimbursement and additional predevelopment services related to the development of the Colony Park Master Development Agreement in an amount not to exceed \$400,000, for a total amount not to exceed \$700,000. (Notes: Approved on consent on a 10-0 vote.)

August 22, 2019 - Council approved Item No. 20190822-022, authorizing reimbursement of certain costs as part of the exclusive negotiation agreement for planning, engineering, economic, and due diligence services related to the Colony Park Master Development Agreement, in an amount not to exceed \$300,000, contingent

on certain factors. (Notes: Approved on consent on a 11-0 vote.)

October 18, 2018 - Council approved Item No. 20181018-030, authorizing negotiation and execution of an Exclusive Negotiation Agreement (ENA) with Catellus for terms governing a Master Developer Agreement for the development of Colony Park Sustainable Community. (Notes: Approved on consent on a 10-0 vote.)

December 11, 2014 -- Council approved Resolution No. 20141211-120 directing the City Manager to evaluate all possible funding sources to implement the Colony Park Master Plan. (Notes: Approved on consent on a 7-0 vote.).

For More Information:

Sylvia Holt-Rabb, Director, Economic Development Department, 512-974-3131; Martin Barrera, Redevelopment Project Manager, 512-974-3394.

Council Committee, Boards and Commission Action:

October 24, 2023 - Planning Commission approved Case No. 18 C814-2014-0110.02.SH recommending Planned Unit Development (PUD) zoning, change of conditions with all of the amendments requested. (Notes: Approved on consent on a 12-0 vote.)

May 24, 2023 - Housing and Planning Committee approved Item HPC005 recommending Council support staff's resolution presented to the committee and initiate an amendment to the Colony Park PUD to achieve community goals on publicly owned land. (Notes Approved on 5-0 vote.).

Additional Backup Information:

On December 14, 2014, Council adopted the Colony Park Sustainable Community (CPSC) Master Plan of the City-owned land generally known as 7900 Loyola Lane (Property). Since that time, the Economic Development Department has collaborated with the community stakeholders on implementation of the master plan vision. To that end, after a nationally advertised competitive solicitation process, on October 18, 2018, Council approved authorization of negotiation and execution of an ENA between the City and Catellus.

This item authorizes the negotiation and execution of all documents necessary or desirable for the development of the CPSC including a comprehensive development agreement (Development Agreement) which will include the terms detailed in Attachment "A", and authorizes the expenditure of \$500,000, payable upon execution of the development agreement, for pre-development work completed by Catellus.

Execution of the Development Agreement will secure the goals of the Colony Park Sustainable Community vision and achieves Council's priorities as informed by over a decade of community engagement with stakeholders in existing adjacent neighborhoods.

This item is related to an item to amend the current PUD zoning for the Property (PUD Rezoning). If, upon approval by Council, the PUD rezoning makes any of the terms of the attached term sheet impossible or impracticable, staff will bring back to Council a revised term sheet and/or PUD rezoning at a future date.

Attachment A: Colony Park Sustainable Community Development Agreement Term Sheet provides the terms of the Development Agreement, including community benefits that respond to the community identified Eight Pillars of Need, the neighborhood community vision, and Council policy direction.

Attachment B: The Development Agreement Illustrative Plan addresses such items as site access from the adjacent neighborhood, placement of proposed open space, connections to transit, and relationship of the buildings to public streets.

