

## RESOLUTION NO. 27-09

### **A JOINT RESOLUTION OF THE MEMBERS OF THE RICHMOND CITY COUNCIL, RICHMOND, CALIFORNIA AND THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY BOARD AUTHORIZING THE CITY MANAGER AND THE EXECUTIVE DIRECTOR TO EXECUTE THE FIRST AMENDMENT TO THE PROMISSORY NOTE AND FIRST AMENDMENT TO THE COMMERCIAL AND RESIDENTIAL DEVELOPMENT COMMITMENT AGREEMENT WITH SIGNATURE AT ANCHOR COVE, LLC REGARDING THE DEVELOPMENT OF PROPERTY LOCATED IN THE HARBOUR 11-A REDEVELOPMENT AREA**

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WHEREAS, the City Council of the City of Richmond (the “City Council”) adopted the Amended and Restated Redevelopment Plan for Project Area No. 11-A (Harbour), adopted by Ordinance No. 29-99, dated July 13, 1999 (the “Redevelopment Plan”). The Redevelopment Plan sets forth a plan for redevelopment of the Project Area consistent with the policies and standards of the General Plan of the City of Richmond (“City”), and the goals of the Redevelopment Plan include alleviation of blighting conditions; and

WHEREAS, Signature at Anchor Cove, LLC. (“Signature”) the City and the Richmond Community Redevelopment Agency (“Agency”) are parties to the Commercial and Residential Development Commitment Agreement, dated as of August 2, 2004 (the “CRDCA”), regarding Signature’s acquisition and development of certain property located within the Harbour 11-A Project Area, a portion of which is intended for residential use (commonly described as “Parcel F”) and the other portion of which is intended for commercial use (commonly described as “Parcel FM”). Parcel F and Parcel FM are more particularly described in the CRDCA; and

WHEREAS, pursuant to the CRDCA, Signature agreed to purchase Parcel FM for the Retail Purchase Price of \$2,190,358.74; and

WHEREAS, in accordance with the CRDCA, upon the closing of the purchase of Parcel FM, Signature paid to the Agency the sum of \$150,000 as a non-refundable and fully applicable deposit toward the Retail Purchase Price, and delivered to Agency a promissory note, dated as of May 13, 2005, in the principal amount of \$2,040,358.74 (the “Note”), secured by a Deed of Trust and Security Agreement recorded against the parcel; and

WHEREAS, the San Francisco Bay Area Water Emergency Transportation Authority (“WETA”) has identified Parcel FM as the Principle Development Site for the location of a ferry terminal, and has begun preparation of the necessary environmental documents for constructing a ferry terminal at Parcel FM. Signature will be working with Agency, BCDC and WETA staff to reevaluate the commercial development plan due to the potential impacts of the ferry terminal on the development of Parcel FM. The goal for the reevaluation of the commercial Development Plan is to ensure a well designed and functional interface between the commercial and ferry facilities; and

WHEREAS, the current economic crisis has severely limited the sources of available credit for the development of commercial projects. Retail businesses have dramatically revised their plans for current stores and most have placed a hold on expansion. The lack of available credit for development and the scarcity of retail users make development of commercial projects challenging at this point in time; and

WHEREAS, as a result of the impacts to the project timeline resulting from the proposed incorporation of a ferry terminal, as well as the current economic environment, Signature has requested and City and Agency have agreed to extend certain payment and development timelines set forth in the CRDCA applicable to Parcel FM, on the terms set forth in the First Amendment to CRDCA attached to the staff report in support of this Resolution. Concurrently with the First Amendment to CRDCA, Agency and Signature are entering into a First Amendment to Note, consistent with the terms of the First Amendment to CRDCA. The First Amendment to Note is attached to the staff report in support of this Resolution.

NOW, THEREFORE BE IT RESOLVED, by the City Council and Richmond Community Redevelopment Agency that the City Manager on behalf of the City, and the Executive Director on behalf of the Agency, is directed and authorized to execute the First Amendment to Commercial and Residential Development Commitment Agreement, First Amendment to Promissory Note and all other documents to effect the provision of this document.

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I certify that the foregoing resolution was passed and adopted by the City Council and the Richmond Community Redevelopment Agency Board of the City of Richmond, California at a joint meeting thereof held on April 21, 2009 by the following vote:

AYES: Councilmembers Bates, Butt, Rogers, Ritterman, Viramontes, Vice Mayor Lopez, and Mayor McLaughlin.  
NOES: None.  
ABSTENTIONS: None.  
ABSENT: None.

DIANE HOLMES  
Clerk of the City of Richmond

(SEAL)

Approved:

GAYLE McLAUGHLIN  
Mayor

Approved as to form:

RANDY RIDDLE  
City Attorney

State of California            }  
County of Contra Costa        }        : ss.  
City of Richmond               }