

RESOLUTION NO. 75489

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AMENDMENTS TO THE AMENDED AND RESTATED OPTION AGREEMENTS WITH COLEMAN AIRPORT PARTNERS, LLC FOR THE FORMER FMC PROPERTY LOCATED AT 1125 COLEMAN AVENUE TO ALLOW A 90-DAY EXTENSION OF THE OPTION PERIOD

WHEREAS, in 2005, the Council of the City of San José ("City") purchased the 74.8 acre property located at 1125 Coleman Avenue now known as the Airport West property ("Airport West"), to support the airport expansion project; and

WHEREAS, in May 2008, the City Council approved a Memorandum of Understanding between the City and Coleman Airport Partners LLC that outlined the price, option period and uses of the Airport West property, the approved uses include the development of a proposed Earthquakes Major League Soccer stadium and the balance of the site would include office space, research and development, hotel rooms, and retail space; and

WHEREAS, on May 5, 2009 the City Council approved an amendment to the two option terms for the property, and the current the option payment schedule in place for the two economic development parcels include \$1 million to be paid June 30, 2010, \$2,5 million to be paid June 30, 2011, and \$3.5 million to be paid June 30, 2012; and

WHEREAS, the developers continue to express a strong desire to develop the Airport West property, but believe that progress towards developing the property will likely not occur for the next 18-24 months, and the developers are asking the City to consider a proposal to modify the current option payment schedule; and

WHEREAS, the City desires to authorize the City Manager to negotiate and execute amendments to two Amended and Restated Option Agreements with Coleman Airport Partners LLC for the Airport West property to allow a 90 day extension of the option period;

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

The City Manager is hereby authorized to negotiate and execute amendments to the option agreements with Coleman Airport Partners, LLC for the purchase of the former FMC property located at 1125 Coleman Avenue to allow a 90-day extension of the option payments

ADOPTED this 22nd day of June, 2010, by the following vote:

AYES: CHIRCO, CHU, CONSTANT, HERRERA, KALRA,
LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.

NOES: NONE.

ABSENT: CAMPOS.

DISQUALIFIED: NONE.



CHUCK REED
Mayor

ATTEST:



LEE PRICE, MMC
City Clerk