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2022-036012 CONF

3:26 pm 04/28/22 A3 Fee: NO FEE

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County of San Mateo

Mark Church

Assessor-County Clerk-Recorder



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AND WHEN RECORDED MAIL TO:

City of Menlo Park
Attn: City Clerk
701 Laurel Street
Menlo Park, CA 94025

**AMENDMENT TO DEVELOPMENT AGREEMENT
SPRINGLINE PROJECT
(Formerly the "Station 1300 Project")
(1258 – 1300 EL CAMINO REAL, 550 – 580 OAK GROVE AVENUE AND
540 – 570 DERRY LANE, MENLO PARK, CA)**

BY AND BETWEEN

CITY OF MENLO PARK,
A CALIFORNIA MUNICIPAL CORPORATION

AND

REAL SOCIAL GOOD INVESTMENTS, LLC,
A CALIFORNIA LIMITED LIABILITY COMPANY

THIS AMENDMENT TO DEVELOPMENT AGREEMENT ("Amendment") is made and entered into as of this ___ day of _____, 2021, by and between the City of Menlo Park, a municipal corporation of the State of California ("City") and Real Social Good Investments, LLC, a California limited liability company ("Owner"). This Amendment modifies the Development Agreement finally executed on March 21, 2017, and recorded in the Official Records of the County of San Mateo on March 22, 2017, as Document Number 2017-024823 ("Development Agreement").

RECITALS

The City and Owner are entering into this Amendment based on the following facts, understandings and intentions:

A. Owner owns those certain parcels of real property previously collectively known as Station 1300, now known as Springline, in the City of Menlo Park, California ("Property"), as shown on Exhibit A attached to this Amendment and more particularly described in Exhibit B attached to this Amendment.

B. The City examined the environmental effects of the Project (as defined in the Development Agreement), in an Infill Environmental Impact Report ("EIR") prepared pursuant to the California Environmental Quality Act ("CEQA"). The Project included the demolition of all existing structures on the Property and development of the Property with a two-level subsurface parking garage, two office buildings located around a large plaza, a 183-unit residential building oriented to Oak Grove Avenue, and approximately 18,000 to 29,000 square feet of community serving space, split between the office buildings and the residential building. The Project also included construction of an extension of Garwood Way to connect to Oak Grove. As part of the Project Approvals, Owner obtained a public benefit bonus consisting of: (1) a height increase from 38 feet to 48 feet; and (2) an increase in floor area ratio from 1.1 to 1.5, thus allowing the construction of an additional 112,108 square feet gross floor area (GFA) of office and residential space (the "Public Benefit Bonus") in consideration for the substantial public benefits contained in the Development Agreement. On January 24, 2017, the City Council reviewed and certified the EIR.

C. On January 24, 2017, the City Council approved the Project and the Development Agreement by introducing Ordinance No. 1032 ("Enacting Ordinance"). The City Council conducted a second reading on the Enacting Ordinance on February 17, 2017, and adopted the Enacting Ordinance, making it effective on March 9, 2017. The Development Agreement was recorded on March 22, 2017, in the Official Records of the County of San Mateo.

D. The Project is nearing completion of construction. However, Owner determined that the approved plans for the Project do not account for certain operational needs, including expanded elevator lobby areas in the basement levels, mail rooms required by US Postal Service, tenant amenities, and other features needed for efficient operation of the buildings. In anticipation of occupancy, on June 14, 2021, Owner submitted an application, and then on September 2, 2021, Owner resubmitted an application to make minor modifications to the Project to account for these operational needs, which resubmittal was updated on October 20, 2021, and included the following modifications, which require approval of an architectural control revision, in addition to amendments to the Specific Plan, ("Project Modifications"):

- i. Conversion of space in the two basement garage levels as follows: new enclosed spaces for engineering, security and maintenance staff; new storage space; an

- expanded fitness center and amenity space serving office tenants (not open to the public or residents); an enlarged locker room for fitness center users and bicycle commuters; new mail rooms for offices and residents (required by USPS to be in the basement); a dog washing facility and amenity space for residents; new restroom and janitor closet; and a reduction in parking from 991 to 942 spaces to accommodate the above spaces;
- ii. Elimination of reserved separate parking areas for residential use and designated parking areas for restaurant, retail and other public-service uses, to instead make the entire garage open to all users;
 - iii. Addition of two glass decks at the second floor of each office building to create a passageway at the second level of the double-height entry lobbies and to address circulation deficiencies;
 - iv. Modification of the primary residential entry at the intersection of Oak Grove and Garwood to improve aesthetics and functionality, and add ramps to improve accessibility; and
 - v. Modification of the Project plans to allow an approximately 1,155 square foot area at the corner of the Oak Grove entry to be classified as residential rather than community-serving retail space, provided that the area is made available to the public during business hours.

E. The Project as modified (the "Revised Project") involves an approximately 9,000 square foot increase in GFA, which increase largely results from the displacement of areas, such as parking, that are not counted toward the Project's GFA calculation; thus, the Project Modifications would neither add intensity to the office floor plates nor increase residential densities. Overall, the Revised Project will have a total of approximately 224,000 square feet of GFA of office and community serving retail space ("CSU") uses, an increase of approximately 4,000 square feet of GFA of office and CSU space as compared to the Project Approvals, though the total square footage of these uses each remains within the ranges approved as part of the Project.

In addition to the Project Modifications, the Revised Project includes the following additional approvals ("Additional Approvals"):

- i. Minor amendment to the El Camino Real and Downtown Specific Plan for approval of additional bonus floor area;
- ii. Use Permit revision to allow the following items:
 - i. hazardous materials with respect to a diesel fuel storage tank for the emergency generator as required by the City;
 - ii. a minor expansion of the allowed outdoor seating area for food and beverage;
 - iii. restaurants selling alcoholic beverages;
 - iv. liquor sales for a market/grocery that will also sell alcoholic beverages for on and offsite consumption; and
 - v. a taproom that will sell craft beer and wine, along with food and snacks.

F. In compliance with CEQA, pursuant to 14 California Code of Regulations Section 15164, the City prepared an Addendum to the previously certified EIR, finding that the Revised Project, including the Additional Approvals, did not involve any new significant environmental impacts or any substantial increase in the severity of any previously identified significant impact.

G. On November 3, 2021, the Housing Commission recommended approval of Owner's Below Market Rate (BMR) Compliance Proposal for the Revised Project, which would require payment of the BMR in-lieu fee for the Revised Project's net increase of approximately 4,000 square feet of non-residential GFA.

H. On November 22, 2021, the Planning Commission held a duly noticed public hearing to review the Revised Project, including the Addendum to the certified EIR and the Additional Approvals, and approved the use permit revision and architectural control revision and recommended that the City Council approve the Specific Plan amendments and this Amendment to preserve the rights and privileges as originally negotiated in the Development Agreement.

H. On December ___, 2021, the City Council held a duly noticed public hearing at which it reviewed the Revised Project, including the Addendum to the certified EIR and the Specific Plan Amendments, and voted to approve the Specific Plan Amendments and enter into this Amendment to preserve the rights and privileges as originally negotiated in the Development Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the City and Owner herein contained, the City and Owner agree as follows:

1. The Revised Project includes revised plans and the Additional Approvals. All references in the Development Agreement to defined terms that are affected by these modifications are updated to include the Revised Project, as approved by the City Council.

2. In addition to the total Two Million One Hundred Thousand Dollars (\$2,100,000) to the Downtown Public Amenity Fund that Owner has already paid to the City pursuant to Section 6 of the Development Agreement for the Public Benefit Bonus, for the additional approximately 9,000 feet of bonus GFA Owner shall contribute Three Hundred Thousand Dollars (\$300,000) to the City, or approximately Thirty-Three and 33/100 Dollars (\$33.33) per square foot ("Additional Public Benefit Payment"). Prior to issuance of a building permit for the buildout of the new basement areas, Owner shall pay the Additional Public Benefit Payment to the City. As a first priority, the Additional Public Benefit Payment shall be used by the City to fund completion of a quiet zone feasibility study in the event the cost to complete the study exceeds the amount previously budgeted by the City. As a second priority, the Additional Public Benefit Payment shall be used by the City to fund improvements (e.g. improved railroad crossings) or matching grant funds that the City may undertake based on the recommendations of the quiet zone feasibility study. Finally, any remaining funds from the Additional Public Benefits Payment shall be placed into the City's Downtown Public Amenity Fund.

3. In addition to Owner's obligations set forth in Section 7.4 of the Development Agreement and in the Owner's Below Market Rate (BMR) Compliance Proposal for the Revised Project attached thereto as Exhibit E, prior to issuance of a building permit, Owner shall pay to the City the commercial in-lieu fee in accordance with the City's BMR Guidelines for the net increase of approximately 4,000 square feet of non-residential GFA, assuming 2,000 square feet of Group A uses and 2,000 square feet of Group B uses. The BMR in-lieu fee rate is subject to change annually on July 1 and the final fee will be calculated based on the square footage and use type at the time of fee payment consistent with the formula set forth above.

4. As required by the Development Agreement, this Amendment shall be recorded by the City Clerk not later than Ten (10) days after the City Council approval of the Amendment.

5. If litigation or a referendum is commenced seeking to set aside the proposed modifications to the Project, the Additional Approvals or this Amendment, Owner may elect to terminate this Amendment and the Additional Approvals and proceed with the original Project. In the event of a termination pursuant to this Section 5, the Development Agreement shall survive and control the rights and obligations of the parties and the permitted uses on the Property.

6. Except to the extent expressly modified by this Amendment, the terms of the Development Agreement shall remain effective without impairment or modification.

7. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all of which when taken together shall constitute but one Amendment.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the day and year first above written.

"City"

CITY OF MENLO PARK, a municipal corporation of the State of California

By: Betsy Nash
Mayor

Attest: [Signature]
City Clerk

Approved as to Form:
By: [Signature]
City Attorney

"Owner"

REAL SOCIAL GOOD INVESTMENTS, LLC, a California limited liability company:

By: K. Sammeloff
Name: K. CYRUS SAMANOAJI
Title: Authorized Representative

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of San Francisco

On 02/16/2022 before me, LOUD SAPPASERT O'BRIEN, NOTARY PUBLIC
Date Here Insert Name and Title of the Officer
personally appeared U. CYRUS SANANDAJI
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
WITNESS my hand and official seal.



Place Notary Seal and/or Stamp Above

Signature Loud Sappasert O'Brien
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____
Document Date: _____ Number of Pages: _____
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____
 Corporate Officer – Title(s): _____ Corporate Officer – Title(s): _____
 Partner – Limited General Partner – Limited General
 Individual Attorney in Fact Individual Attorney in Fact
 Trustee Guardian of Conservator Trustee Guardian of Conservator
 Other: _____ Other: _____
Signer is Representing: _____ Signer is Representing: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Mateo)

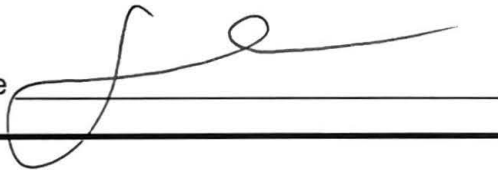
On April 26, 2022 before me, Sarah Sandoval, Notary Public
(insert name and title of the officer)

personally appeared Betsy Nash,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

