

## ORDINANCE NO. 2282

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PLEASANTON APPROVING THE SIXTH AMENDMENT TO THE STONERIDGE SHOPPING CENTER DEVELOPMENT AGREEMENT TO EXTEND THE TERM FOR SIX MONTHS WITH POTENTIAL ADDITIONAL EXTENSIONS OF THE TERM

**WHEREAS**, Stoneridge Properties LLC (Developer) has applied for a Sixth Amendment to the Development Agreement for the properties at 1008 - 1700 Stoneridge Mall Road for a six (6) month extension of the term to December 31, 2024, contingent upon a contribution of \$50,000 by Developer towards the Stoneridge Mall Framework planning effort, plus an additional potential further extension of two (2) to four (4) years, contingent upon the deposit of an additional funds and a determination by the City Manager or City Council that Developer has made good faith material progress toward funding a master plan by December 31, 2026, regarding its approximately 362,790-square-foot remaining permitted expansion of the Stoneridge Shopping Center; and

**WHEREAS**, a Supplemental Environmental Impact Report (SEIR) was prepared and certified on January 4, 2012, for the Housing Element update and Climate Action Plan General Plan Amendments and Rezonings that supplemented the Environmental Impact Report (EIR) prepared for the Pleasanton 2005-2025 General Plan, certified in July 2009. This SEIR and the Addendum for the Stoneridge Mall Commercial Replacement and Expansion Project dated April 16, 2019 anticipated completion of the subject 362,790 square foot expansion of the Stoneridge Shopping Center. In addition, the cumulative impacts of the development permitted under the Development Agreement and Sixth Amendment, plus all development proposed under the City of Pleasanton's 2023-2031 Housing Element, was studied in the Program Environmental Impact Report (SCH 2022040091) for that Housing Element certified by the City Council on January 26, 2023, by Resolution 23-1357. The California Environmental Quality Act (CEQA) specifies that individual development projects that are covered by a previously certified EIR or SEIR are exempt from additional environmental review. Therefore, there is no additional environmental document regarding this Development Agreement extension is required pursuant to Public Resources Code §21083.3 and CEQA Guidelines §15183; and

**WHEREAS**, the Planning Commission held a public hearing on May 8, 2024, and adopted Resolution No. PC-2024-09, recommending the City Council approve the Sixth Amendment; and

**WHEREAS**, on June 4, 2024, the City Council held a duly noticed public hearing on this application and considered all public testimony, agenda report, and related materials, including the recommendations of City staff and the Planning Commission; and

**WHEREAS**, the City Council finds that accepting the initial \$50,000 contribution and accepting potential additional deposits up to \$150,000 will advance planning efforts for the Stoneridge Mall Framework plan, in conjunction with the 6-month to 4.5-year extension of the Development Agreement, is consistent with the City's General Plan and will advance the master planning anticipated in the Stoneridge Mall Framework components adopted by the City Council on January 26, 2023.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLEASANTON DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1.** Finds that the 362,790 square foot expansion of the Stoneridge Shopping Center as set forth in the Development Agreement, as amended by the proposed Sixth

Amendment, was covered by the mitigated negative declaration adopted in connection with the original Development Agreement, as well as considered as part of the EIR for the Pleasanton 2005-2025 General Plan certified in July 2009, and the SEIR for the Housing Element Update and Climate Action Plan General Plan Amendments certified in January 2012, and addressed in the Addendum for the Stoneridge Mall Commercial Replacement and Expansion Project dated April 16, 2019. In addition, the cumulative impacts of the development permitted under the Agreement and this Sixth Amendment, plus all development proposed under the City of Pleasanton's 2023-2031 Housing Element, was studied in the Program Environmental Impact Report (SCH 2022040091) for that Housing Element certified by the City Council on January 26, 2023, by Resolution No. 23-1357. This Sixth Amendment merely extends the term of the previously approved Agreement and is consistent with the General Plan, and there are no impacts peculiar to the parcel or unstudied impacts relevant to this Sixth Amendment.

**SECTION 2.** Finds that the Sixth Amendment is consistent with the objectives, policies, general land uses and programs specified in the vested General Plan; is compatible with the uses authorized in and the vested regulations prescribed for the land use district (C- R (Regional Commercial) and PUD-MU (Planned Unit Development – Mixed Use)) in which the property is located; is in conformity with public convenience, general welfare and good land use practices; will not be detrimental to the health, safety and general welfare of the City or the region surrounding the City; will not adversely affect the orderly development of property or the preservation of property values within the City; and will promote and encourage the development of the project by providing a greater degree of certainty with respect thereto.

**SECTION 3.** Approves the Sixth Amendment to the Development Agreement with Stoneridge Properties, LLC, which includes a six-month extension and a \$50,000 contribution by Developer towards the Stoneridge Mall Framework and directs the City Manager to execute, as generally shown in the attached Exhibit A, which may be modified as determined by the City Manager and the City Attorney for consistency with this City Council action prior to execution.

**SECTION 4.** A summary of this ordinance shall be published once within fifteen (15) days after its adoption in "The Valley Times," a newspaper of general circulation published in the City of Pleasanton, and the complete ordinance shall be posted for fifteen (15) days in the City Clerk's office within fifteen (15) days after its adoption.

**SECTION 5.** This ordinance shall be effective thirty (30) days after its passage and adoption.

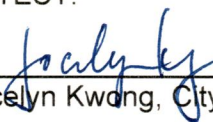
{Signatures and votes to follow on the next page}

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Pleasanton on June 4, 2024, and adopted on June 18, 2024, by the following vote:


Ayes: Councilmembers Arkin, Balch, Nibert, Testa, Mayor Brown  
Noes: None  
Absent: None  
Abstain: None

  
\_\_\_\_\_  
Karla Brown, Mayor

ATTEST:

  
\_\_\_\_\_  
Jocelyn Kwong, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
for Daniel G. Sodergren, City Attorney

**EXHIBIT A**  
**SIXTH AMENDMENT TO DEVELOPMENT**  
**AGREEMENT**

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RECORDING REQUESTED BY  
CITY OF PLEASANTON

When Recorded, Return to:  
Office of the City Clerk  
City of Pleasanton  
P.O. Box 520  
Pleasanton, CA 94566

Recording Requested Pursuant to Government  
Code Sections 27383 & 6103 – no fee

**SIXTH AMENDMENT TO DEVELOPMENT AGREEMENT**

THIS SIXTH AMENDMENT TO DEVELOPMENT AGREEMENT (the "Sixth Amendment") is made and entered into by and between the CITY OF PLEASANTON, a municipal corporation of the State of California ("City"), and STONERIDGE PROPERTIES LLC, a Delaware limited liability company, doing business in California as STONERIDGE ASSOCIATES, LLC, as successor in interest to SECURITY TRUST COMPANY, as TRUSTEE under Trust No. 1860-0 ("Developer"), pursuant to the authority of California Government Code Sections 65864-65869.5.

**RECITALS**

A. The City and Developer are parties to a Development Agreement (the "Agreement") dated as of November 5, 1992, as approved by the City Council under Ordinance No. 1578. The Agreement was recorded on April 2, 1993, as Instrument No. 93103418 in the Official Records of Alameda County. (Capitalized terms not otherwise defined in this Amendment shall have the meanings given to them in the Agreement; all references to the Agreement shall refer to the same as modified by the First, Second, Third and Fourth Amendments.)

B. The parties entered into the First Amendment to Development Agreement (the "First Amendment"), dated as of January 6, 1998, as approved by the City Council by its Ordinance No. 1732. The First Amendment to Development Agreement was recorded on February 5, 1998, as Instrument No. 98048535 in the Official Records of Alameda County.

C. The parties entered into the Second Amendment to Development Agreement (the "Second Amendment"), dated as of June 18, 2013, as approved by the City Council by its Ordinance No. 2073. The Second Amendment to Development Agreement was recorded on September 5, 2013, as Instrument No. 2013299219 in the Official Records of Alameda County.

D. The parties entered into the Third Amendment to Development Agreement (the "Third Amendment"), dated as of August 21, 2018, as approved by the City Council by its Ordinance No. 2173. The Third Amendment to Development Agreement was recorded on September 19, 2018, as Instrument No. 2018182964 in the Official Records of Alameda County.

E. The parties entered into the Fourth Amendment to Development Agreement (the "Fourth Amendment"), dated as of September 6, 2022, as approved by the City Council by its Ordinance 2230. The Fourth Amendment was recorded on September 12, 2022, as Instrument No. 2022156727 in the Official Records of Alameda County.

F. The parties entered into the Fifth Amendment to Development Agreement (the "Fifth Amendment"), as approved by the City Council by its Ordinance 2249. The Fifth Amendment was recorded on March 4, 2024, as Instrument No. 2024031835 in the Official Records of Alameda County. It provides that the Agreement shall terminate July 1, 2024.

G. The City and Developer desire to extend the term of the Agreement. In order to strengthen the planning process, encourage private participation in comprehensive planning, secure the orderly development of the shopping center expansion and provide greater opportunities for traffic management and cohesive, attractive site design and improvements and related economic benefits to the City, and to facilitate the future development of a comprehensive master plan for the shopping center, the City has determined that this Sixth Amendment is an appropriate supplement to the Agreement.

H. The Agreement originally permitted an expansion of 380,000 square feet, which was reduced to 362,790 square feet due to construction of P. F. Chang's and the Cheesecake Factory. The permitted remaining expansion was covered by the mitigated negative declaration adopted in connection with the original Development Agreement, as well as considered as part of the EIR for the Pleasanton 2005-2025 General Plan certified in July 2009, and the SEIR for the Housing Element Update and Climate Action Plan General Plan Amendments certified in January 2012, and addressed in the Addendum for the Stoneridge Mall Commercial Replacement and Expansion Project dated April 16, 2019. In addition, the cumulative impacts of the development permitted under the Agreement and this Sixth Amendment, plus all development proposed under the City of Pleasanton's 2023-2031 Housing Element, was studied in the Program Environmental Impact Report (SCH 2022040091) for that Housing Element certified by the City Council on January 26, 2023, by Resolution No. 23-1357. This Sixth Amendment merely extends the term of the previously approved Agreement and is consistent with the General Plan, and there are no impacts peculiar to the parcel or unstudied impacts relevant to this Sixth Amendment.

I. On May 8, 2024, after conducting a duly noticed public hearing, the City Planning Commission recommended the City Council approve this Sixth Amendment, based on the following findings and determinations: this Sixth Amendment is consistent with the objectives, policies, general land uses and programs specified in the vested General Plan; is compatible with the uses authorized in and the vested regulations prescribed for the land use districts (C- R (Regional Commercial and PUD-MU (Planned Unit Development – Mixed Use)) in which the Property is located; is in conformity with public convenience, general welfare and good land use practices; will not be detrimental to the health, safety and general welfare of the City or the region surrounding the City; will not adversely affect the orderly development of property or the preservation of property values within the City; and will promote and encourage the development of the Project by providing a greater degree of certainty with respect thereto.

J. Thereafter, on June 4, 2024, the City Council held a duly noticed public hearing on this Sixth Amendment and made the same findings and determinations as the Planning Commission. On that same date, the City Council introduced the Ordinance. On June 18, 2024, the City Council approved this Sixth Amendment by adopting Ordinance \_\_\_\_\_.

**NOW, THEREFORE**, pursuant to the authority contained in California Government Code Sections 65864-65869.5, and in consideration of the mutual covenants and promises of the parties herein contained, the parties agree to amend the Agreement as follows:

1. Section 2.2 is hereby amended and restated as follows:

2.2 Term. The term of this Agreement and Developer's rights and obligations hereunder shall terminate on January 1, 2025, unless the termination date is extended pursuant to Section 19.14 below.

2. Section 19.14 is added as follows.

19.14. Initial 6<sup>th</sup> Amendment Funding and Extension Upon Additional Funding.

(a) Within 10 business days of the date of recordation of this Agreement, Developer shall deposit the sum of \$50,000 with City to be used by City for its costs associated with developing and processing a Master Plan (as defined in subsection (i) below) for the Stoneridge Mall ("Initial City Master Plan Costs").

(b) Between July 1, 2024 and December 31, 2024, City and Developer agree to cooperate and coordinate towards making progress on the master planning anticipated in the Stoneridge Mall Framework Components (as defined in subsection (i) below), including, but not limited to: (i) developing a scope of work, schedule and budget for the next phase of planning work, including commencing the process to select urban design/architectural professionals to develop design and placemaking elements of the Framework Components; (ii) initiating collaboration between Developer and Other Owners (as defined in subsection (i) below) regarding desired land uses, potential development scenarios for various properties, and addressing issues of shared concern, such as parking requirements and parking management, interface of new or expanded uses with the existing shopping center, and shared infrastructure; and (iii) seeking qualified consultants to begin development of development standards or other master planning documents for the Stoneridge Mall.

(c) If, prior to December 1, 2024, City receives additional deposits totaling \$150,000 from one or more of the Other Owners to supplement the Initial City Master Plan Costs ("Supplemental Master Plan Costs"), then the termination date of this Agreement shall be extended an additional 18 months to July 1, 2026, with this period to be used to further advance the efforts initiated during the initial six-month period. The City may, at its sole discretion, reduce this amount by up to \$50,000, provided that so doing would, in the City's determination, allow the planning to continue to proceed towards the development of the Master Plan.

(d) If City does not receive deposits for the Supplemental Master Plan Costs from the Other Owners by December 1, 2024, then Developer may elect thereafter to deposit with City, prior to December 31, 2024, the greater of (i) \$100,000 or (2) the unfunded Supplemental Master Plan Costs (not to exceed \$150,000), in which case this Agreement shall be extended an additional 24 months to December 31, 2026, with this period to be used to further advance the efforts initiated during the initial six-month period. By November 1, 2026, the City Manager shall determine, in writing with notice to the Developer, whether Developer has worked in good faith to make material progress towards the Master Plan, including funding and/or working with the Other Owners to develop a plan to fund the Master Plan. If the City Manager makes an affirmative determination regarding

Developer's actions, or fails to make any findings with regard to Developer's actions, the Development Agreement shall be extended an additional two years to December 31, 2028.

(e) The City Manager may refer the duty to determine whether the Developer has made material progress toward the Master Plan to the City Council, provided the referral is made by November 1, 2026. Developer may appeal the City Manager's findings to the City Council within ten (10) days of the date of notice of such findings, by providing notice of such appeal to the City Clerk by overnight courier or personal delivery.

(f) Upon referral or appeal, the City Council's review of the matter shall be de novo and the City Council may consider evidence that was not presented to the City Manager. City shall use reasonable efforts to ensure that any findings to be made by the City Council are adopted by December 31, 2026. If such findings are not adopted by such date, the term of this Agreement will be automatically extended until the date such findings are adopted.

(g) It is the intent of City and Developer to work with the Other Owners during any extension provided by subsections (c) and (d) above, to have Developer and/or the Other Owners provide additional funding towards Master Plan costs.

(h) If City does not receive deposits for the Supplemental Master Plan costs from either the Other Owners by December 1, 2024, or the Developer by December 31, 2024, this Agreement shall terminate on January 1, 2025. All funds provided by Developer to City for the Initial Master Plan Costs shall be retained by City.

(i) While this Agreement remains in effect, Developer agrees to make good faith efforts to work with City and the Other Owners to develop and process for approval a Master Plan for the Shopping Center that furthers the goals of the Stoneridge Mall Framework Components approved by the City Council in Resolution No. 23-1356, adopted on January 26, 2023, as those Components may be amended by the City with the reasonable consent of Developer ("Master Plan"). While Developer cannot control the actions of other owners of property at the entire Shopping Center as depicted in the First Amendment Section 1.b. and Exhibit A thereto ("Other Owners"), Developer's good faith efforts shall include working with and attempting to persuade Other Owners to participate in developing and processing the Master Plan.

3. Except as expressly modified by this Sixth Amendment, City and Developer hereby ratify and confirm the terms and conditions of the Agreement which are fully incorporated herein by reference and shall continue in full force and effect.

4. This Sixth Amendment shall be effective as of the date the Agreement otherwise would have terminated and shall remain in effect until terminated. This Sixth Amendment may be executed in multiple counterparts, all of which taken together shall constitute one and the



same instrument. This Sixth Amendment shall be duly recorded in the Official Records of Alameda County.

IN WITNESS WHEREOF, the parties have executed this Sixth Amendment on the date affixed by their signature.

**"City"**

CITY OF PLEASANTON, a Municipal corporation of the State of California

By: \_\_\_\_\_  
Gerry Beaudin  
City Manager

Dated Executed: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Jocelyn Kwong  
City Clerk

Approved as to Form:

\_\_\_\_\_  
Daniel G. Sodergren  
City Attorney

**"Developer"**

STONERIDGE PROPERTIES LLC, a Delaware limited liability company, doing business in California as STONERIDGE ASSOCIATES, LLC

By: SIMON-MILLS II, L.L.C., a Delaware limited liability company, its Managing Member

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date Executed: \_\_\_\_\_