Disposition and Development Agreement with RBH Stockton OZ Project, LLC for the South Pointe Project

CITY COUNCIL MEETING FEBRUARY 6, 2024 AGENDA ITEM 15.1



Background

- 1980's: Redevelopment Agency (RDA) acquired properties along the south shore.
- April 7, 2015: Long Range Property Management Plan approved.
 - South Pointe as mixed-used waterfront development.
- December 4, 2018: Envision Stockton 2040 General Plan adopted.
 - **Policy LU-2.1** encourages the development of "high-quality housing to complement commercial activity and to infuse the area with daytime, evening, and weekend activity."

Background

- June 2020: Request for Interest/Qualifications released.
- December 15, 2020: Council approved an ENRA with RBH Group.
- May 2021: Council deemed the parcels as surplus.
 - Pursuant to SLA, the notice period expired without a response.
- March 2022: Council authorized grant application to DTSC.
 - Awarded \$5.25M to cleanup South Pointe.
 - Remediation planning efforts are underway.



Project Site

701 – 855 West Weber Avenue

Approx. 9.12 acres

Four vacant parcels

Present Situation

- Mixed-use development on 4 City-Owned parcels (9.12 acres).
 - Market rate, workforce, and independent living senior units.
 - Retail space; Community/civic space; Parking; and
 - Site improvements: landscaping, lighting, and drainage facilities.
- DDA result of 3 years of negotiations:
 - City staff
 - Developer team
 - Environmental consultants
 - Burke, Williams & Sorensen
 - Economic & Planning Systems

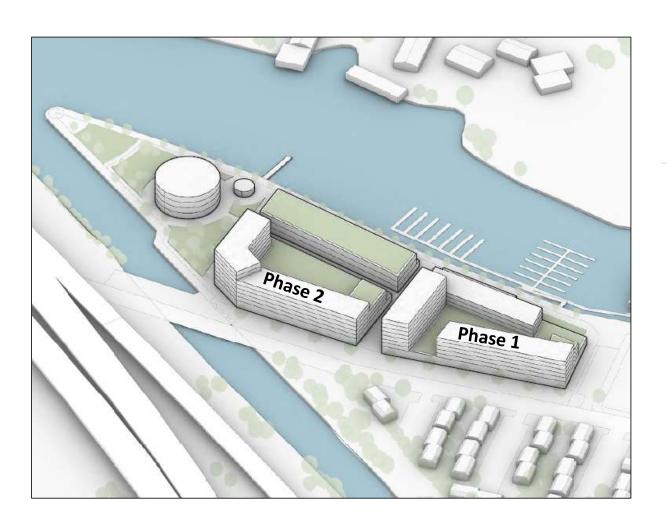
Present Situation

DDA outlines:

- Project description and definition of terms;
- Developer and City responsibilities, including site remediation;
- Phased development milestones and conveyances;
- Inclusionary housing: 15% of units reserved as affordable for lower income households;
- CEQA compliance;
- Schedule of performance; and
- License & Maintenance Agreement for the existing shared public space.

Project Phases

- Phase 1:
 - No fewer than 300 housing units, including independent living senior units;
 - 4,000 sq ft of educational space;
 - 16,000 sq ft of retail and/or community facility space; and
 - Associated infrastructure.
- Phase 2:
 - No fewer than 220 housing units.
- Developer may maximize density to include additional units in accordance with applicable code and zoning.



Conceptual Rendering

Aerial view from the south

Community Benefits

- General Plan Goals:
 - High-quality housing.
 - Commercial activity (daytime, evening, and weekend).
- Mixed-income, multi-generational housing.
- \$100s of millions in private investment.
- Generation of sales tax from commercial activity and increased property taxes.
- Artwork installation.

Next Steps

- Planning Commission Approval
 - Commission Use Permit
 - CEQA: Addendum to the 2040 General Plan EIR
- Completion of Remedial Action Plan (RAP)
 - Procurement of remediation contractor
 - Implementation of RAP
 - Remediation approval by DTSC
- Following Schedule of Performance

Recommendation

- Adopt a Resolution:
 - Approving a Disposition and Development Agreement between the City of Stockton and RBH Stockton OZ Project, LLC for the South Pointe Project;
 - Authorizing the City Manager, or designee, to execute the Disposition and Development Agreement with RBH Stockton OZ Project, LLC;
 - Authorizing the filing of Notice of Exemption No. 01-24 under the California Environmental Quality Act (CEQA) for the disposition of real property for parcels which make up the South Pointe properties;

Recommendation

- Adopt a Resolution:
 - Authorizing the disposition of four City-owned parcels which make up the South Pointe properties, in accordance with the Disposition and Development Agreement;
 - Authorizing budgeting, and receiving of revenue associated with disposition of four City-owned parcels which make up the South Pointe properties; and
 - Authorizing the City Manager, or designee, to take whatever actions are necessary and appropriate to carry out the purpose and intent of this resolution.

