

REDEVELOPMENT AGENCY  
BOARD

JOHN WEIS  
DEPUTY EXEC. DIRECTOR

SEE BELOW

JUNE 26, 2006

### **INFORMATION**

**SUBJECT: 490 AND 500 SOUTH FIRST STREET REDEVELOPMENT**

On February 14, 2006, the Agency Board approved an Exclusive Negotiations Agreement (ENA) with SummerHill Homes, Inc. for the redevelopment of Agency-owned property located at 490 and 500 South First Street. SummerHill's proposal was to develop an 18-story high-rise residential tower with a 350 seat community theater at 490 S. First Street and a six-story residential project with 15,000 square feet of flexible community facility space at 500 S. First Street.

The term of the ENA is for 180 days, terminating on August 15, 2006. At this time, SummerHill has requested a 90-day extension of the ENA pursuant to provisions in the ENA which provide for an extension at the sole discretion of the Executive Director. At the time the ENA was approved, the Board requested that it be informed if an extension was provided to the Developer.

The project proposed by SummerHill is a complex project in that it involves two separate and highly constrained development sites; involves construction of a proposed residential high-rise atop a community theater; incorporates the redesign and construction of the adjacent Parque de los Pobladores (formerly Gore Park); and requires extensive community outreach.

Due to these complexities, the Agency is granting the 90-day extension to November 15, 2006 to provide SummerHill and the Agency adequate time to thoroughly evaluate the feasibility of the project and to negotiate and bring forward a Disposition and Development Agreement (DDA) for consideration by the Redevelopment Agency Board. Under the new schedule (attached), a DDA would be brought to the Agency Board for its consideration no later than November 14, 2006.

Significant progress has been made since the Board approved the ENA. SummerHill and the Agency are carefully evaluating the feasibility of the proposed project, including the following activities:

- SummerHill, Agency and Planning staffs have conducted meetings to identify the scope of development and required regulatory approvals.
- Agency staff, working with Planning, has commissioned an architectural study of the existing structure at 500 S. First Street to determine the historical status of the structure.
- SummerHill and Agency staffs have met with the SoFA Committee and the Market-Almaden Neighborhood Association to obtain their initial feedback on the proposed project.
- SummerHill and Agency staffs have conducted scoping and design meetings at San Jose Stage and MACLA to evaluate the existing community facilities and to plan the design of new community facilities.
- Agency staff, working with appropriate City departments, is in the process of evaluating the feasibility of expanding and enhancing Parque de los Pobladores and evaluating the impacts of park expansion on area traffic and parking.
- Initial concept studies and designs have been developed by SummerHill and analyzed by Agency staff and will be further refined during negotiations for formal consideration by the Redevelopment Agency Board.
- Agency staff is in the process of identifying the relocation requirements of the existing tenants on these sites.

JOHN WEIS  
Deputy Executive Director

[Attachment](#)