

Meeting Date:

6/14/11

AGENDA REPORT

City of Santa Clara, California

Agenda Item #

5A/4B

RDA

Santa Clara



Date:

June 8, 2011

To:

City Council for Action
Redevelopment Agency for Action

From:

Jamie L. Matthews, Mayor for City Council & Chairperson for Redevelopment Agency

Subject:

Letter from Montana Group Requesting Exclusive Negotiating Agreement Regarding Development of Two City-owned Parcels across from the Proposed Stadium Project Site

EXECUTIVE SUMMARY:

The City received a letter from Mezzetti Law Firm, Inc. representing Joseph C. Montana Jr. and his investment group. The Montana Group is interested in working with the City to develop two City-owned parcels (APNs 104-03-038 and 104-03-039) located across from the proposed Stadium Project site into an entertainment location, which could possibly include a luxury hotel, sports bar, restaurant, and entertainment venue. In order to pursue this possible development, the Montana Group is requesting an Exclusive Negotiating Agreement with the City for a period of 18 months.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

Acknowledging this request from the Montana Group and developing a process for consideration is consistent with City practices. There are no identified disadvantages.

ECONOMIC/FISCAL IMPACT:

There is no economic impact to reviewing the request.

RECOMMENDATION:

That the Council/Redevelopment Agency review the letter from Montana Group, requesting an exclusive negotiating agreement to develop two City-owned parcels across from the proposed Stadium Project site, consider the City Manager's agenda report outlining options for processing the request, and provide Council direction to the City Manager.

A handwritten signature in black ink, appearing to read "Jamie L. Matthews".

Jamie L. Matthews

Mayor for City Council /

Chairperson for Redevelopment Agency

Documents Related to this Report:

- 1) *Montana Group Request Letter date 12/06/10*

MEZZETTI LAW FIRM, INC.

A Professional Corporation

ROBERT L. MEZZETTI II
CAITLIN G. WHITWELL
Attorneys at Law

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RECEIVED

DEC 6, 2010

CITY OF SANTA CLARA

December 6, 2010

Honorable Patricia Mahan, Mayor
Members of the City Council
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

RE: MONTANA/APN #'s 104-03-038 and 104-03-039

Dear Mayor and Members of the Council:

I have been retained to assist Joseph C. Montana Jr and his investment group, which group includes Edward DeBartolo Jr., in connection with APN #'s 104-03-038 and 104-03-039 (the Property)

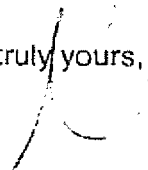
Mr. Montana is interested in working with the City to develop the Property into an entertainment location that may include a luxury hotel, sports bar, upscale restaurant and entertainment venue. We believe such a location would complement the 49er stadium, bring additional revenue to the City, have a positive impact on existing businesses, attract other businesses to the area, and increase neighboring property values. Given the expense and effort involved in planning such a development, the Montana group respectfully requests the City execute an Exclusive Negotiating Agreement (ENA) to allow an 18 month period for my client to reach a design/build contract with the City. Mr. Montana and his investors have extensive experience developing commercial and residential projects and have the ability to fund such a project.

Please consider my clients' request and advise whether the City is interested in negotiating an ENA.

December 6, 2010
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Thank you for your attention to this matter.

Very truly yours,



ROBERT L. MEZZETTI II

ROB:jam

cc: client
Jennifer Sparacino, City Manager
Ronald Garratt, Assistant City Manager