

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA  
APPROVING AN AGREEMENT BETWEEN THE CITY OF SANTA  
CLARA AND EUGENE BURGER MANAGEMENT CORPORATION  
FOR PROPERTY MANAGEMENT SERVICES OF CITY-OWNED  
COMMERCIAL PROPERTIES INCLUDING 900 AND 1000  
LAFAYETTE STREET AND AUTHORIZING THE CITY MANAGER  
TO NEGOTIATE AND EXECUTE AGREEMENTS RELATED TO  
THE PROPERTIES LOCATED AT 900 AND 1000 LAFAYETTE  
STREET**

**BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

**WHEREAS**, The City of Santa Clara ("City") is the landowner of two downtown properties located at 1000 Lafayette Street, known as Peddler's Plaza, and 900 Lafayette Street, known as Commerce Plaza;

**WHEREAS**, In 1971, the City entered into long-term ground leases which are set to expire in the coming months;

**WHEREAS**, Peddler's Plaza is approximately a 1.3-acre site with a one-story retail commercial building. The retail commercial building has 10,300 square feet of leasable space with seven (7) units. The Peddler's Plaza Ground Lease will expire on September 30, 2021;

**WHEREAS**, Commerce Plaza is approximately a 3.7-acre site with a seven-story office building. The office building has 90,000 square feet of leasable space with 60 units. The Commerce Plaza Ground Lease will expire on April 11, 2022;

**WHEREAS**, the City is in the process of developing a specific plan for the downtown area which includes both Peddler's Plaza and Commerce Plaza;

**WHEREAS**, in the interim, the City desires to maintain occupancy of both buildings, until the City determines how to develop the area and these properties;

**WHEREAS**, the City would like to enter into lease agreements with tenants to continue to use the property for a period not to exceed two year;

**WHEREAS**, In 2021, a competitive Request for Proposal (RFP) was advertised on the City's bid

notification system for a Contractor to provide property management services necessary to rent, lease, operate and manage Peddler's Plaza and Commerce Plaza that are owned by the City; and,

**WHEREAS**, As the Ground Lease is set to terminate, the Agreement for Services between the City of Santa Clara and Eugene Burger Management contemplates the provision of professional property management services to rent, lease, operate and manage Peddler's Plaza and Commerce Plaza. The initial term of the agreement will be two years. The City may extend the Agreement for three additional one-year options.

**NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

1. That the City Council hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.
2. That the City Council hereby approves and authorizes the City Manager to execute the Agreement for Services between the City of Santa Clara and Eugene Burger Management, substantially in the form attached hereto as Exhibit "Agreement," subject to clarifying changes consistent with the terms thereof as may be approved by the City Attorney prior to execution thereof.
3. That this Resolution, including the Agreement approval described in Section 2 above, is based on the findings set forth above.
4. That the City Manager and/or designee is hereby authorized and directed to do the following:
  - a. Negotiate and execute an Agreement with Eugene Burger Management Corporation to provide property management services for an initial two-year term beginning on or about September 28, 2021 and ending on or about September 30, 2023 with maximum compensation not-to-exceed \$328,284 and subject to the appropriation of funds;
  - b. Execute amendments to the Agreement, not to exceed \$29,844, for contingencies in the

event there are unanticipated changes during the initial term of the Agreement, subject to the appropriation of funds; and

- c. Execute three one-year options to extend the term of the Agreement after the initial term through September 30, 2026 for property management services, subject to the appropriation of funds.
- d. Execute amendments to each of the agreements to add funds as required in the event revenues collected exceed staff's estimates, subject to the appropriation of funds.
- e. Negotiate and execute assignment and assumption agreements, commercial leases, and related amendments for the commercial spaces located at 900 and 1000 Lafayette Street for a term not to exceed 2 years on a form agreement subject to the approval of the City Attorney.
- f. That the City Manager and/or designee is hereby authorized and directed to perform all acts to be performed by the City in the administration of the Agreement for Services between the City of Santa Clara and Eugene Burger Management pursuant to the terms of the submitted proposal. The City Manager and/or designee is further authorized and directed to perform all other acts, including to negotiate and execute all documents (including leases and amendments) necessary or convenient to carry out the purposes of this Resolution and the Agreement.

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5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED  
AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING  
THEREOF HELD ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2021, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: \_\_\_\_\_  
NORA PIMENTEL, MMC  
ASSISTANT CITY CLERK  
CITY OF SANTA CLARA