

Settlement of Vallejo developer multi-year lawsuit on the horizon

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Vallejo may put to rest on Tuesday a years-long dispute with its former downtown developer, Triad Communities.

The developer sued the city for breach of contract in February 2011, a year after the Vallejo City Council voted to end its relationship with the company due to unmet development milestones.

Just before the regular 7 p.m. meeting Tuesday, the council will look at a settlement agreement that would repay Triad nearly \$300,000, wipe clean a standing \$91,000 bill with the city, and release two development payment guarantees.

Triad's lawsuit called for some \$10 million in estimated damages from the city and its former Redevelopment Agency. The \$300,000 will primarily come from the former Redevelopment Agency's remaining funds, with about \$54,000 coming from city coffers.

In a city staff report on the issue, the city attorney explained that Triad was unlikely to pay its \$91,000 bill for city work reviewing development plans for the Hiddenbrooke subdivision, as it dated back to 2007. So, it is recommended the city might as well waive the fees.

Tuesday's settlement also calls for the release of Triad's two letters of credit -- one for \$500,000, the other \$120,000, guaranteeing Interstate 80 overpass-interchange/downtown development and a formerly planned Hiddenbrooke fire station, respectively.

Later in its regular meeting, the council will consider extending for one year a \$1 annual lease for the Vallejo Convention and Visitor Bureau at the Vallejo Ferry Terminal. The organization's previous rent, including common area maintenance fees, was \$9,708 annually. In April, however, the convention and visitor's bureau staff plans to participate in the International Pow Wow travel industry show in Chicago on the city's behalf.

City Manager Dan Keen, in a report to the council, said the potential revenue and positive marketing associated with the conference could be worth the rent reduction. However, the lease is only a one-year extension, with an eye toward the possible expansion of the incoming Mare Island Brewing Company at the Ferry Terminal, Keen added.

In other agenda items, the council is scheduled to consider:

- * Approving the second of two votes to add \$1.47 million to the city's HOME budget

- * Awarding a \$335,000 Measure B Sereno Drive pavement rehabilitation contract to B&M Builders Inc.

- * Adding \$95,000 to the Interstate 80/American Canyon Road/Hiddenbrooke Parkway Interchange project for further feasibility studies
- * Increasing the joint federal legislation consultation contract by \$25,000
- * Awarding a special consultant administration services contract for the city's community facilities districts, improvement districts and assessment districts by \$300,000
- * Hiring a new City Manager's Office administrative analyst to assist with city Participatory Budgeting efforts from this and last year
- * Overhiring three firefighters in anticipation of pending retirements
- * Putting a discussion of Senate Bill 316, the Postal Service Protection Act of 2013, on a future agenda, at the request of Councilman Jess Malgapo.