

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2015 MAY 14 PM 12: 53

Approved as to Form and Legality:


Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. 85728 C.M.S.

A RESOLUTION AUTHORIZING AN EXCLUSIVE NEGOTIATING AGREEMENT WITH ORTON DEVELOPMENT, INC. FOR THE REHABILITATION, ADAPTIVE REUSE, AND OPERATION OF THE HENRY J. KAISER CONVENTION CENTER, ALSO KNOWN AS THE OAKLAND MUNICIPAL AUDITORIUM

WHEREAS, the City owns the Henry J. Kaiser Convention Center, also known as the Oakland Civic Auditorium, located at 10 10th Street and bounded by Lake Merritt Boulevard to the north, 10th Street to the south, the Oakland Museum of California to the west, and the Lake Merritt Channel to the east (the "Property"); and

WHEREAS, the City closed the Property in 2005 due to the cost of operating and maintaining the building; and

WHEREAS, the Property is a designated City of Oakland Landmark that abuts the recently improved Lake Merritt, and the City seeks to retain and reuse the Property; and

WHEREAS, on September 22, 2014, the City issued a Request for Proposals for the rehabilitation and adaptive reuse of the Property under a long term ground lease with the City; and

WHEREAS, Orton Development, Inc. ("Orton") submitted a proposal to lease the Property and rehabilitate, adaptively reuse and operate it as a mixed-use project including a performing arts theater, office, retail, light manufacturing and other uses allowed under the approved *Lake Merritt Station Area Plan* (the "Project"); and

WHEREAS, the City and Orton, as the prospective developer, wish to enter into a period of preliminary study and exclusive negotiations over the proposed Project, understanding that this does not constitute a binding commitment on the part of the City to any project or developer for the Property; now, therefore, be it

RESOLVED: That the City hereby authorizes the City Administrator or his/her designee to negotiate and enter into an Exclusive Negotiating Agreement ("ENA") with Orton for the

purposes of developing a refined project proposal, conducting California Environmental Quality Act ("CEQA") review and approval and negotiating the terms and conditions of a Lease Disposition and Development Agreement ("LDDA"); and be it

FURTHER RESOLVED: That the exclusive negotiating period will be for twelve months from the date of this Resolution, with the option by the City to extend said period by an additional six months with the approval of the City Administrator or his/her designee in his/her sole discretion; and be it

FURTHER RESOLVED: That the City shall require payment of a \$25,000 Project Expense Payment by Orton for purposes of reimbursing City for its staff costs and third party expenses; and be it

FURTHER RESOLVED: That the \$25,000 nonrefundable Project Expense Payment from Orton will be deposited and appropriated to Miscellaneous Capital Projects Fund (Fund 5999) and a project to be created; and be it

FURTHER RESOLVED: That the ENA shall be reviewed and approved as to form and legality by the City Attorney's Office prior to execution; and be it

FURTHER RESOLVED: That the City finds and determines, after independent review and consideration, that this action complies with CEQA because it is exempt from CEQA pursuant to Section 15262 (feasibility and planning studies), Section 15306 (information collection) and Section 15061(b)(3) (general rule) of the CEQA Guidelines; and be it

FURTHER RESOLVED: That the City Administrator or his/her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action; and be it

FURTHER RESOLVED: That the City Administrator or his/her designee is further authorized to negotiate and enter into agreements and take whatever action is necessary with respect to the ENA and the Project, consistent with this Resolution and its basic purposes.

JUL 21 2015

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

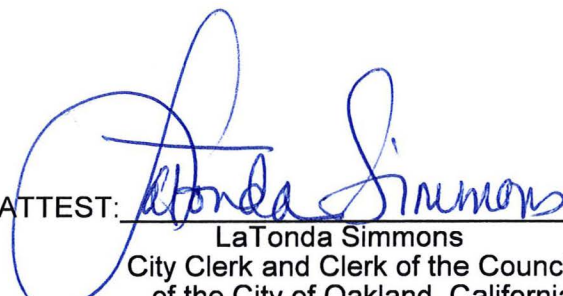
AYES - ~~BROOKS~~, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and PRESIDENT GIBSON McELHANEY - 7

NOES - 0

ABSENT - 0

ABSTENTION - 0

Excused - Brooks - 1

ATTEST: 
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California