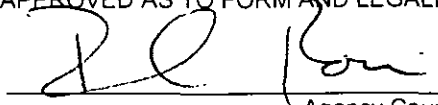


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Agency Counsel

2011 JUN -2 PM 1:35

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

RESOLUTION NO. _____ C.M.S.

AN AGENCY RESOLUTION AMENDING RESOLUTION NO. 2010-0099 C.M.S. TO INCREASE THE FUNDING ALLOCATION FOR CAPITAL IMPROVEMENTS TO THE GEORGE P. SCOTLAN MEMORIAL CONVENTION CENTER BY \$3,750,000 FOR A TOTAL ALLOCATION OF UP TO \$7,750,000, AND TO AUTHORIZE AN AMENDMENT TO THE MANAGEMENT AGREEMENT WITH INTEGRATED SERVICES CORPORATION TO INCREASE THE ORIGINAL CONSTRUCTION MANAGEMENT FEE BY UP TO \$153,000 FOR A TOTAL FEE OF UP TO \$306,000

WHEREAS, the Redevelopment Agency subleases the George P. Scotlan Memorial Convention Center located at 550 10th Street, Oakland, California ("Property") in the Central District Redevelopment Project Area from the City of Oakland; and

WHEREAS, the Property is part of a building complex that includes Oakland's only Class A hotel, the 481-room Marriott, which is owned by the CIM Group ("CIM"), an Oakland Joint Powers Finance Authority-owned public parking garage with 585 spaces, and the Golden State Warriors training facility; and

WHEREAS, no major upgrades have been made to the Property since its construction in 1983, and certain repairs and capital improvements are necessary to enhance the Property's appearance and long-term economic success; and

WHEREAS, a study by the CIM Group concluded that up to \$12,000,000 should be invested in basic repairs and improvements to the Property in order to enhance its marketability and attract users; and

WHEREAS, the Agency, pursuant to Resolution No. 2010-0099 C.M.S., allocated up to \$4,000,000 for necessary capital improvements and repairs to the Property; and

WHEREAS, the Agency desires to increase the scope and budget for capital improvements and repairs to the Property from \$4,000,000 by an amount of up to \$3,750,000 for a total amount of up to \$7,750,000; and

WHEREAS, the City entered into a contract with Integrated Services Corporation ("ISC") for management of the Property on or about November 1, 1997 (the "Agreement"), which Agreement has been assigned by the City to the Agency; and

WHEREAS, ISC is completing a comprehensive renovation and modernization effort at the Marriott, and would like to undertake additional renovations at the Property in order to maximize benefits to both the Property and the Marriott; and

WHEREAS, this redevelopment effort will complement other successful development activities in the Central District Redevelopment Project Area and strengthen the Central District's existing role as a center for administrative, financial, business services and governmental activities; and

WHEREAS, the Agency desires to amend the Agreement to increase the scope and budget for capital improvements and repairs and to increase the construction management fee paid to ISC; and

WHEREAS, the Agency has identified available funds in the amount of \$3,750,000 in the Agency's Central District Tax Allocation Bonds Series 2005 Fund (9533), Capital Improvement Project - Economic Development Organization (#94800), Uptown Garage 21st & Telegraph (Project P128670) that will be transferred to Project T426210 (Scotlan Convention Center Capital Improvements - 9533); and

WHEREAS, the requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been met; now, therefore, be it

RESOLVED: That the Agency hereby amends Resolution No. 2010-0099 C.M.S., to allocate an additional \$3,750,000, for a total allocation of up to \$7,750,000, for capital improvements and repairs to the Property, and reallocates funding in the amount of \$3,750,000 from the Agency's Central District Tax Allocation Bonds Series 2005 Fund (9533), Capital Improvement Project - Economic Development Organization (#94800), Uptown Garage 21st & Telegraph (Project P128670) to be transferred to Project T426210 (Scotlan Convention Center Capital Improvements - 9533) for this purpose; and be it

FURTHER RESOLVED: That the Agency hereby authorizes an amendment to the Agreement with iSC to provide an additional amount of up to \$3,750,000 for capital improvements, repairs and rehabilitation to the Property, including an increase in the construction management fee of up to \$153,000 for a total fee to ISC of up to \$306,000; and be it

FURTHER RESOLVED: That the Agency Administrator is authorized to negotiate and execute an amendment to the Agreement and any other necessary documents, with ISC, and to take whatever other action is necessary, consistent with this Resolution and its basic purposes; and be it

FURTHER RESOLVED: That the Agency has independently reviewed and considered this environmental determination, and the Agency finds and determines, based on the information in the staff report accompanying this Resolution, that this action complies with CEQA because this action on the part of the Agency is exempt from CEQA pursuant to Section 15301(Existing Facilities) of the CEQA guidelines; and be it

FURTHER RESOLVED: That the Agency Administrator or his designee, shall cause to be filed with the County of Alameda a Notice of Exemption and an Environmental Declaration (California Fish and Game Code Section 711.4) for this action; and be it

FURTHER RESOLVED: That all documents necessary to carry out this Resolution shall be reviewed and approved by Agency Counsel prior to execution, and copies will be placed on file with the Agency Secretary.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2011

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF AND
CHAIRPERSON REID

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California