

2013 NOV 14 PM 3:11

Approved as to Form and Legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No: 84678 C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A SECOND AMENDMENT TO SUBLEASE AND OPERATING AGREEMENT ("2ND AMENDMENT") EXTENDING THE FIFTY PERCENT (50%) OF THE MINIMUM RENT RELIEF TO OAKLAND GOLF LLC FOR THE OPERATION OF THE METROPOLITAN GOLF LINKS (METRO) DURING FISCAL YEAR JULY 1, 2013 THROUGH JUNE 30, 2014 IN THE AMOUNT OF \$149,179 AS AUTHORIZED IN THE FIRST SUBLEASE AND OPERATING AGREEMENT APPROVED BY RESOLUTION NO. 81274 C.M.S. ON MAY 6, 2008.

WHEREAS, Metropolitan Golf Links is an 18-hole regulation public golf course developed on property owned by the adjoining Oakland International Airport and was designed on the site of the former City of Oakland Galbraith Municipal Golf Course ("Premises"); and

WHEREAS, the Port of Oakland ("Port") is the lessor of that real property, and the City Of Oakland ("City") is the lessee pursuant to the Amended and Restated Galbraith Golf Course Lease dated March 16, 1999 as amended by the First Supplemental Agreement and the Second Supplemental Agreement ("Lease") and

WHEREAS, the City, with the Port's consent, in 2001, subleased the Premises to Oakland Golf LLC in an agreement entitled "Sublease and Operating Agreement" ("Sublease") for the purpose of operating and managing the Metropolitan Golf Links; and

WHEREAS, between 2001 and 2003, Oakland Golf LLC completed a \$14 million capital improvement project at Metropolitan Golf Course; \$9.5 million of which was funded by Oakland Golf LLC, and \$4.5 million of which was funded by the Port and the City; and

WHEREAS, Oakland Golf LLC has requested a one-year extension of the temporary reduction in its rent for fiscal year 2013 -2014 in the total amount of approximately \$149,179 in order to continue the economic viability of the enterprise; and

WHEREAS, the City desires to use the course twice annually for golf tournaments and to use the clubhouse no more than 12 times each year for events and that the revenue from those events will accrue to the Parks and Recreation's Self Sustaining Fund; and

WHEREAS, the Port of Oakland will concurrently consider passing a Resolution authorizing the revenue reduction; and

WHEREAS, without the extension of rent relief, Oakland Golf LLC would be forced to cut costs, which would lower maintenance standards at the course; now, therefore be it

RESOLVED, that the City Council accepts and approves a one-year extension to reduction of rent, between the Port of Oakland and City, as requested of the City Council; and be it

FURTHER RESOLVED: That the Office of the City Attorney has approved this resolution as to form and legality and a copy will be on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, NOV 5 2013 2013

PASSED BY THE FOLLOWING VOTE:

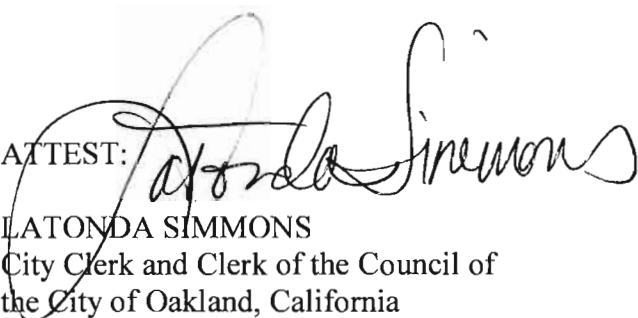
AYES - GALLO, REID, GIBSON-MC ELHANEY, SCHAAF, BROOKS, KALB, KAPLAN AND PRESIDENT KERNIGHAN - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:


LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California