

J. Miller
OFFICE OF THE CITY CLERK
OAKLAND
2003 NOV 20 PM 6:51

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

RESOLUTION NO. 2003-82 C.M.S.

RESOLUTION AUTHORIZING THE AGENCY ADMINISTRATOR TO: (1) AMEND THE REPAYMENT AGREEMENT WITH THE CITY OF OAKLAND INCREASING CITY APPROPRIATIONS BY \$367,500 FOR CONSTRUCTION WORK ON THE FOX THEATER AND WRAP-AROUND BUILDINGS; AND (2) ENTER INTO AN EXCLUSIVE NEGOTIATING AGREEMENT WITH THE PARAMOUNT THEATER OF THE ARTS INC., TO REDEVELOP THE FOX THEATER AND WRAP-AROUND BUILDINGS

WHEREAS, the Fox Theater has sat vacant for over twenty-five years in the Uptown District of downtown Oakland and has been a blighting influence on the neighborhood; and

WHEREAS, the Redevelopment Agency purchased the Fox Theater in 1996 with the intention of restoring and re-opening the theater and the attached wrap-around buildings and stimulating new investment opportunities in the Uptown District ; and

WHEREAS, the Redevelopment Agency has completed certain steps in the restoration of the theater including: replacement of the roof in 1999; completion of façade restoration and store front drawings in 2000; renovation of the historic marquee and vertical sign in 2001; completion of the Fox Master Plan in 2002; and successful recipient of a \$375,000 grant for façade restoration from the California Heritage Fund Program in 2002; and

WHEREAS, the Redevelopment Agency has been approached by development entities interested in revitalizing the Fox ,but none of the proposals have been regarded as financially feasible by Agency staff ; and

WHEREAS, in the winter of 2002, the Agency was approached by a development team headed by California Capital Group, a general partnership ("CCG") that wished to evaluate, in detail, one of the options for renovating the Fox as outlined in the Fox Master Plan ; and

WHEREAS, the CCG development team has prepared concept drawings and detailed cost estimates for revitalizing the Fox Theater into a cabaret-style

performing arts venue that would activate the Fox for an unspecified time period before future funding could be obtained for a full theater restoration; and

WHEREAS, the CCG development team has discussed with the Oakland School for the Arts ("OSA") their future expansion plans, and has prepared concept drawings and detailed cost estimates for accommodating their needs in the wrap-around buildings which are attached to the Fox; and

WHEREAS: the Agency staff has reviewed all concept drawings, cost estimates and possible development and operation frameworks and found them to be a realistic and financially responsible method to revitalizing the theater and attached wrap-around buildings worthy of further analysis and negotiation; and

WHEREAS: the Agency staff has held discussions with the Paramount Theater of the Arts, Inc. (PTA) regarding possible operating and financing structures necessary to develop the theater and attached wrap-around buildings; and

WHEREAS: the Agency wishes to enter into an Exclusive Negotiating Agreement (ENA) with PTA; and

WHEREAS: during the ENA period, PTA and the Agency will: (1) explore alternative ownership structures for the Fox Theater and wrap-around buildings;(2) evaluate flexible design solutions for the wrap-around buildings to accommodate alternative uses; (3) outline alternative financing plans for renovating the theater and wrap-around buildings; and (4) provide a detailed budget of all tasks needed to revitalize the theater and wrap-around buildings; and

WHEREAS, the Agency and City have not agreed to sell any parking garages to help finance the proposed development until further review; and

WHEREAS, to assure successful redevelopment for the Central District Urban Renewal Project, the Agency entered into an agreement with the City of Oakland to provide services to approved Agency projects within or benefiting the Central District Project Area, including the Fox Theatre project; and

WHEREAS, the Agency has determined that it is appropriate for the City of to undertake construction activities in an amount not to exceed \$367,500 to remove mold and other hazardous materials from the Fox Theater and wrap-around buildings; and

WHEREAS, the Redevelopment Agency's 2003-2005 Approved Budget includes \$800,000 in funding for the Fox Theater Master Plan, Maintenance and Retail/Office; and

WHEREAS, the Redevelopment Agency intends to use \$367,500 from the above-mentioned funds to reimburse the City for the above-described construction services; now therefore be it

RESOLVED: that the Agency Administrator is authorized to negotiate and enter into an ENA with the PTA for the purpose of studying and evaluating the feasibility of, and negotiating terms and conditions for, the renovation of the Fox Theater into a performing arts venue and the attached wrap-around buildings into a new home for the Oakland School of the Arts; and be it

FURTHER RESOLVED: that the exclusive negotiating period will be for five months, with an option to extend said period by an additional three months with the approval of the Agency Administrator in his/her sole discretion; and be it

FURTHER RESOLVED: the Agency will complete review of all necessary CEQA documentation during the ENA period; and be it

FURTHER RESOLVED: that the Agency Administrator is hereby authorized to enter into an appropriate amendment to the repayment agreement with the City, terms of which shall provide an additional payment of \$367,500 for the construction activities stated above; and be it

FURTHER RESOLVED: that the Agency Administrator, for the purposes of reimbursing the City for the performance of the identified services and administrative activities, is hereby authorized to appropriate \$367,500 from the Fox Theater Master Plan, Maintenance and Retail/Office funds; and be it

FURTHER RESOLVED: that the Agency Administrator is hereby authorized to reimburse the City of Oakland in the amount of \$367,500 for the activities stated above; and be it

FURTHER RESOLVED: that the Agency Administrator is further authorized to take whatever action is consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: that any and all agreements to be entered into pursuant to this Resolution be reviewed and approved by the City Attorney as to form and legality, and copies be placed on file with the Agency Secretary.

DEC 2 2003

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2003

PASSED BY THE FOLLOWING VOTE:

AYES- ~~BROOKS~~, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND ~~CHARPESON DE LA FUENTE~~ ~~DE LA FUENTE~~ - 6


NOES- 0

ABSENT- BROOKS - 1

ABSTENTION- 0

Excused: De La Fuente - 1

ATTEST:


CEDA FLOYD
Secretary of the Redevelopment
Agency of the City of Oakland