

## OAKLAND CITY COUNCIL

RESOLUTION NO. 88460 C.M.S.

INTRODUCED BY COUNCILMEMBERS SHENG THAO AND LOREN TAYLOR

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**A RESOLUTION AWARDED A TEN YEAR GRANT AGREEMENT TO SUPPORT THE MISSION AND PROGRAMS OF THE CHABOT SPACE & SCIENCE CENTER FOUNDATION, PAYABLE IN ANNUAL AMOUNTS OF TWO HUNDRED SEVENTY THREE THOUSAND ONE HUNDRED AND FIVE DOLLARS (\$273,105), SUBJECT TO FUNDING AVAILABILITY**

**WHEREAS**, in May 1989, the Oakland Unified School District (OUSD), the City of Oakland (City), and East Bay Regional Park District (EBRPD), in collaboration with the Eastbay Astronomical Society (EAS), entered into a Joint Powers Agreement (JPA Agreement) to form the Chabot Space & Science Center Joint Powers Agency (JPA) for the purpose of developing and operating an educational institution to benefit school children, teachers, and the general public through the pursuit and practice of quality science education at 10000 Skyline Boulevard (Skyline Boulevard Property), which is owned by the City; and

**WHEREAS**, the JPA formed the Chabot Space & Science Center Foundation (Foundation) to, among other matters, undertake fundraising activities to help fund the operations and activities of the JPA; and

**WHEREAS**, in February 1994, the City and the JPA entered into a long-term ground lease of the Skyline Boulevard Property (Skyline Lease) at one dollar (\$1) per year for the purpose of developing the Chabot Space & Science Center (Chabot) on the site; and

**WHEREAS**, in July 1999, OUSD issued a Certificate of Participation loan (Loan) to the JPA in the amount of \$10,265,000 for capital improvements to construct Chabot based on projected revenue assumptions that never materialized, and the JPA was unable to repay the Loan; and

**WHEREAS**, despite the restructuring, the JPA has been unable to make the obligated payments and approximately \$6.5 million of the original debt remains outstanding. Lease payments have been as much as 10 percent of Chabot's operating budget and the payments have eroded Chabot's financial viability; and

**WHEREAS**, OUSD has agreed to forgive the entirety of the JPA's debt obligations, in exchange for a sixty year lease of City-owned property located at 4919 Mountain Boulevard; and

**WHEREAS**, OUSD, the City, EBRPD, JPA and the Foundation seek to have Foundation assume the JPA's responsibility for operating and funding Chabot; and

**WHEREAS**, to enable Foundation to operate and fund Chabot, OUSD, the City and EBRPD seek to transfer all remaining assets and liabilities of the JPA to Foundation, terminate the Skyline Lease and replace it with a new long-term lease of the Skyline Boulevard Property between the City and the Foundation for one dollar (\$1) per year; and

**WHEREAS**, OUSD, the City and EBRPD seek to dissolve the JPA and terminate the JPA Agreement; and

**WHEREAS**, in 2009, voters passed Measure C by a supermajority creating a 3 percent Transient Occupancy Tax surcharge and directing 12.5 percent of receipts to Chabot, and the City seeks to redirect these receipts from the JPA to the Foundation so that there shall be no interruption in voters' intent that this surcharge support Chabot; and

**WHEREAS**, the City has granted Two Hundred Seventy-Three Thousand One Hundred Five Dollars (\$273,105) annually from the General Purpose Fund to Chabot since at least Fiscal Year 2013 by way of biennial grants and seeks to continue this level of financial support for an additional ten (10) years; now therefore be it

**RESOLVED:** That the foregoing recitals are true and correct and, the City Council hereby makes them a part of this Resolution; and be it

**FURTHER RESOLVED:** That the City Council hereby awards a grant to the Foundation in an amount not to exceed Two Million Seven Hundred Thirty-One Thousand Fifty Dollars (\$2,731,050) for a grant term of up to ten years, contingent on availability of funding in the adopted biennial and mid-cycle budgets; and be it

**FURTHER RESOLVED:** That the City Council authorizes the City Administrator or his or her designee, without returning to Council, to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, amendments, modifications, payment requests, operating reserves, and related actions, which may be necessary for the above-referenced agreement, without increasing the amount of the agreement; and be it

**FURTHER RESOLVED:** That the City Administrator or his or her designee will disburse an annual grant payment in an amount not to exceed Two Hundred Seventy-Three Thousand One Hundred Five Dollars (\$273,105) no later than July 31 of each year commencing in 2021 through and including 2030 to support the mission and programs of the Foundation; and be it

**FURTHER RESOLVED:** That the Foundation shall be required to submit to the City annual reports on the Foundation's performance of Chabot program activities as well as reports on the Foundation's financial condition; and be it

**FURTHER RESOLVED:** That the agreement approved hereunder shall be approved for form and legality by the City Attorney's Office and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA,

DEC 15 2020

PASSED BY THE FOLLOWING VOTE:

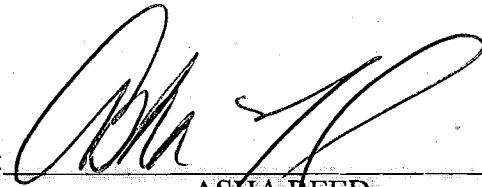
AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT KAPLAN - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:

  
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ASHA REED  
Acting City Clerk and Clerk of the Council  
of the City of Oakland, California