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OFFICE OF THE CITY CLERK
OAKLAND

2010 JUN 30 AM 10:58

APPROVED AS TO FORM AND LEGALITY:


AGENCY COUNSEL

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION NO. 2010 - 0084 C.M.S.

**AN AGENCY RESOLUTION APPROVING A FIVE-YEAR
AGREEMENT WITH SAN JOSE ARENA MANAGEMENT, LIMITED
LIABILITY CORPORATION TO MANAGE AND OPERATE THE
OAKLAND ICE CENTER FOR A PERCENTAGE OF NET REVENUE
PURSUANT TO SPECIFIC CRITERIA**

WHEREAS, on October 23, 2007, the Redevelopment Agency ("Agency") entered into a management and operations agreement ("Existing Agreement") with San Jose Arena Management, LLC ("SJAM"), pursuant to Agency Resolution No. 2007-0074 C.M.S. and Agency Resolution No. 2007-0036 C.M.S., for SJAM's management of the Agency-owned Oakland Ice Center located at 18th Street ("OIC") in the Central District Redevelopment Project Area; and

WHEREAS, SJAM has successfully managed the OIC since October 29, 2007 and generated consistent net revenues from its operation of the OIC that are substantially higher than those generated under previous management companies; and

WHEREAS, SJAM has met or exceeded all of the performance benchmarks in the Existing Agreement, particularly those involving community outreach and accessibility; and

WHEREAS, the Existing Agreement will terminate on December 31, 2010; and

WHEREAS, both SJAM and the Agency desire to extend the term of SJAM's management of the OIC; and

WHEREAS, SJAM and the Agency have agreed to modify some of the terms of the Existing Agreement in entering into a New Agreement for SJAM's management and operation of the OIC; now, therefore, be it

RESOLVED: That Agency Administrator is authorized to negotiate and execute a New Agreement with SJAM that shall include the following terms and conditions:

- 1) The term of the New Agreement will begin January 1, 2011 and end on December 31, 2015 .
- 2) SJAM will continue to be responsible for paying for any operating shortfalls during the term of the New Agreement.
- 3) SJAM shall receive compensation under the New Agreement equal to fifty (50) percent of the first \$450,000 of annual OIC net revenue, and sixty-five (65) percent of all annual OIC net revenue greater than \$450,000.
- 4) The Agency shall receive fifty (50) percent of annual OIC net revenue and thirty-five (35) percent of annual OIC net revenue greater than \$450,000.
- 5) SJAM shall be required to invest at least \$40,000 during each year of the New Agreement in capital improvements to the OIC to be jointly agreed upon by SJAM and the Agency.
- 6) The Agency shall be required to invest at least \$20,000 of its annual share of OIC net revenue each year that is in excess of \$120,944, provided that the Agency has not spent in excess of \$60,000 for capital repairs during that year.
- 7) SJAM shall continue to lease the pro shop snack bar within the OIC from the Agency for payments of \$1,684.50 per month and \$970.50 per month respectively, and these payments shall be increased beginning January 1, 2012 based upon the previous year's increase in the Consumer Price Index; and be it

FURTHER RESOLVED: That Agency Administrator be authorized to set aside the Agency's share of annual net revenue from the OIC in a capital repair reserve in Fund 9553, and at his option establish a checking account with a commercial bank in the name of the Agency to facilitate prompt and timely payment of the Agency's capital repair and improvement obligations; and be it

FURTHER RESOLVED: That the Agency Administrator or his designee is authorized to negotiate and execute the New Agreement and take whatever action is necessary with respect to the New Agreement consistent with this Resolution and its basic purposes; and be it

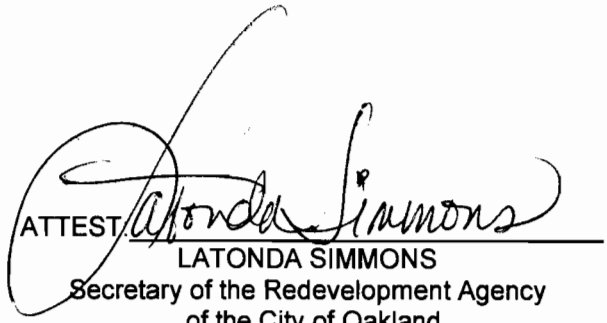
FURTHER RESOLVED: That the New Agreement authorized hereunder shall be approved as to form and legality by Agency Counsel and filed with the Agency Secretary.

IN AGENCY, OAKLAND, CALIFORNIA, JUL 20 2010, 2010

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, AND
CHAIRPERSON BRUNNER - 8

NOES- 0
ABSENT- 0
ABSTENTION- 0

ATTEST 
LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland