

2006 JAN 12 PM 1:23

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

RESOLUTION No. 79703 C.M.S.

Richard J. ...
Richard J. ...

A RESOLUTION, PURSUANT TO SECTION 11.2(E) OF THE DISPOSITION AND DEVELOPMENT AGREEMENT ("DDA") BETWEEN THE OAKLAND REDEVELOPMENT AGENCY AND PRENTISS PROPERTIES WEBSTER, LP (THE CURRENT OWNER OF 2100 FRANKLIN STREET, THE SITE OF THE FORMER BERMUDA BUILDING), APPROVING THE TRANSFER OF THE PROPERTY AND DDA TO AN ENTITY CREATED OUT OF THE MERGER OF PRENTISS PROPERTIES TRUST AND BRANDYWINE REALTY TRUST TO FORM A NEW PARENT FOR PRENTISS PROPERTIES WEBSTER, LP, AND TO AMEND THE DDA TO SUSPEND AND EXTEND THE AGENCY'S REPURCHASE RIGHTS UNDER CERTAIN CONDITIONS DURING CONSTRUCTION ON THE SITE

WHEREAS, the Redevelopment Agency of the City of Oakland ("Agency") acquired the real property at 2100 Franklin Street, Oakland ("Property") by eminent domain, the site of the former Bermuda Building which was severely damaged during the 1989 Loma Prieta earthquake; and

WHEREAS, on August 7, 2001, the Agency entered into a disposition and development agreement ("DDA") with Oakland Bermuda, LLC ("OBL"), which provided for OBL to acquire the Property for \$3.6 million, demolish the structures and eventually construct a new office building; and

WHEREAS, on September 21, 2004, pursuant to Resolution No. 2004-49 C.M.S., the Agency approved transfer of the DDA and the Property from OBL to Prentiss Properties Webster LP ("Prentiss"); and

WHEREAS, Prentiss is planning to construct a new 252,077 square-foot "Class A" office building ("Project") at the Property, which will connect to Prentiss' existing 2101 Webster Street office building

WHEREAS, Section 11.2(E) of the DDA permits Prentiss, or its parent company, Prentiss Properties Trust, to combine its business with other corporate entities, subject to the Agency's consent; and

WHEREAS, Prentiss Properties Trust is in the process of merging its business with Brandywine Realty Trust to form a new parent company for Prentiss; and

WHEREAS, Prentiss Properties Trust and Brandywine Realty Trust are major commercial property owners, developers and operators with nationwide real estate holdings; and

WHEREAS, the combined financial and development capacity of Prentiss Properties Trust and Brandywine Realty Trust meet the standards of developer expertise and financial capability necessary to satisfy the Agency's expectations for the development of the Project; and

WHEREAS, the DDA gives the Agency the limited right to repurchase the Property during four consecutive years commencing on January 1, 2007 and ending on December 31, 2010, if Prentiss does not complete development of the Project by December 31, 2006, 2007, 2008, or 2009, and does not pay an amount of \$300,000 in liquidated damages due each year if development is not complete in those years; and

WHEREAS, Prentiss has requested that the Agency suspend its repurchase right once the development has started construction of the Project, subject to certain conditions; now therefore be it

RESOLVED: That the Agency approves the transfer of the Property and assignment of the DDA to the entity created by the merger of Prentiss Properties Trust and Brandywine Realty Trust to form a new parent company for Prentiss on such terms as the Agency Administrator deems appropriate; and be it further

RESOLVED: That the Agency Administrator is authorized to negotiate an amendment to the DDA that will suspend and extend its repurchase right for the Property provided that 1) construction of the Project is underway and proceeding to completion within two (2) years of the date any building permit is issued, and 2) construction work on the Project is not abandoned, or substantially ceased, for a period of 60 days; but will not suspend any payments due under liquidated damages provisions of the DDA and be it further

RESOLVED: That the Agency Administrator or her designee is authorized to take whatever action is necessary with respect to the Property, the Project and the DDA amendment consistent with this Resolution and its basic purposes; and be it further

RESOLVED: That the custodians and locations of the documents or other materials which constitute the record of proceedings upon which the Agency's decision is based are respectively: (a) the Community & Economic Development Agency, Projects Division, 250 Frank H. Ogawa Plaza, 5th Floor, Oakland CA; and (b) the Office of the City Clerk, 1 Frank H. Ogawa Plaza, 1st Floor, Oakland, CA.

IN AGENCY, OAKLAND, CALIFORNIA, FEB 07 2006, 2006

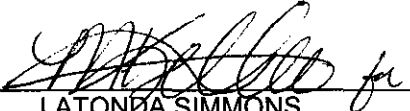
PASSED BY THE FOLLOWING VOTE:

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

NOES- 0

ABSENT- 0

ABSTENTION- 0

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