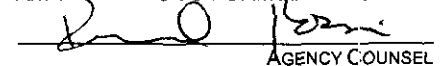


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OFFICE OF THE CITY CLERK  
OAKLAND

2006 SEP 28 PM 4: 50

APPROVED AS TO FORM AND LEGALITY

  
AGENCY COUNSEL

**REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND**  
2006-0065  
RESOLUTION NO. \_\_\_\_\_ C.M.S.

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**A RESOLUTION AUTHORIZING SETTLEMENT OF LITIGATION IN THE MATTER OF *THE CITY OF OAKLAND ET AL., V. PACIFIC RENAISSANCE ASSOCIATES II, ET AL.*, AND RELATED CASES, AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF DOCUMENTS TO EFFECTUATE THE SETTLEMENT, INCLUDING AN OPTION TO PURCHASE PORTIONS OF PACIFIC RENAISSANCE PLAZA ON 9<sup>TH</sup> STREET BETWEEN FRANKLIN AND WEBSTER FOR \$40 MILLION**

**WHEREAS**, the Redevelopment Agency is a party to a lawsuit, *The City of Oakland, et al. v. Pacific Renaissance Associates II, et al.* (Alameda County Case Number RG 03111924) and related cases; and

**WHEREAS**, the lawsuits concern Pacific Renaissance Plaza, a mixed-use commercial and residential complex on 9<sup>th</sup> Street between Franklin and Webster in the Central District; and

**WHEREAS**, the parties to the lawsuits have negotiated the terms of a settlement; now, therefore, be it

**RESOLVED**: That the Agency hereby authorizes legal counsel for the Agency to settle the case of *The City of Oakland, et al. v. Pacific Renaissance Associates II, et al.* (Alameda County Case Number RG 03108416) and related cases, in accordance with the following terms:

- The Agency, or its assignee, to have a six-month option to purchase all of International Hotelier Management Corp.'s ("IHMC's") and certain related parties' interests in Pacific Renaissance Plaza for \$40,000,000. The Agency to have the right to assign all or part of its right to purchase to a third party. The Agency, at its sole discretion, may elect not to exercise its option.

- The Agency to issue a Certificate of Compliance for the Marriott Courtyard Hotel.
- Upon closing, there will be an executed settlement agreement and dismissal with prejudice of the complaint and cross-complaint in the above-titled litigation and in the related case of *Yet Hom et al., v. International Hotelier Management Corp. et al.*, Alameda County Case Number RG 03108416 ("Hom Litigation").
- The Agency, City, and defendants to each bear their own attorneys' fees and costs.
- The plaintiffs in the Hom Litigation and the Agency or the City to enter into a separate agreement regarding various issues related to the process and other aspects of determining the number of affordable housing units that will be preserved as affordable following purchase of these units by the Agency. In return for this "side" agreement, the plaintiffs in the Hom Litigation to release their lis pendens on the property.
- In the event that the Agency does not exercise its option or, if the Agency exercises the option and the defendants default, the City/Agency to have the right to enforce performance of the settlement agreement and/or to restore the matter to the active trial calendar.

and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator to negotiate and execute all agreements necessary to effectuate the settlement, including (1) a settlement and release agreement, (2) a purchase option and sales agreement providing for an option on the part of the Agency to purchase certain portions of Pacific Renaissance Plaza, (3) a listing agreement with a broker to perform services related to marketing the property for resale, (4) a side agreement with the tenant plaintiffs in the litigation concerning the use of the property, and (5) any other agreements or documents that the Agency Administrator and Agency legal counsel deems necessary to effectuate the terms of the settlement consistent with the settlement terms authorized by the Agency; and be it further

**RESOLVED:** That the Agency hereby authorizes the Agency Administrator and Agency legal counsel to take whatever other actions are necessary with the respect to the settlement and the transaction consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, SEP 19 2006, 2006

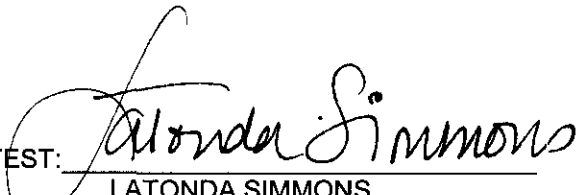
**PASSED BY THE FOLLOWING VOTE:**

AYES- ~~BRUNNER~~, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, ~~QUAN~~, AND  
CHAIRPERSON DE LA FUENTE - 6

NOES- 0

ABSENT- 0

ABSTENTION- Brooks, Reid - 2

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