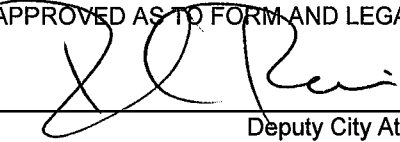


FILED
OFFICE OF THE CITY CLERK
OAKLAND

2016 MAY 12 PM 7:45

APPROVED AS TO FORM AND LEGALITY:


Deputy City Attorney

OAKLAND CITY COUNCIL

86207

RESOLUTION No. _____ C.M.S.

RESOLUTION (1) ACCEPTING ASSIGNMENT OF AN AMENDED AND RESTATED OWNER PARTICIPATION AGREEMENT (“OPA”) BETWEEN THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY AND SKS BROADWAY, LLC, FOR DEVELOPMENT AT 1100 BROADWAY; AND (2) AMENDING THE OPA TO EXTEND DEVELOPMENT DEADLINES, ADD STAFFING CHARGES. AND INCREASE EXTENSION PAYMENTS

WHEREAS, SKS Broadway, LLC, (“SKS”) is the owner of the vacant parcel located at 1100 Broadway; and

WHEREAS, the Oakland Redevelopment Successor Agency (ORSA), and SKS are parties to an amended and restated owner participation agreement (the “OPA”) with respect to the development of a mixed-use office project (the “Project”) located at 1100 Broadway (the “Property”); and

WHEREAS, the OPA establishes various parameters for the Project, provides ORSA certain approval rights regarding the Project, and requires SKS to accomplish a number of specific development milestones by specific deadline dates; and

WHEREAS, on June 1, 2010, pursuant to Resolution No. 2010-54 C.M.S., the OPA was amended to extend performance deadlines to their current dates; and

WHEREAS, SKS has made good faith efforts to reach the OPA’s development milestones by the specified dates, but has been unable to do so because of the continued adverse economic conditions in Oakland’s downtown office markets that hinder SKS’s efforts to obtain the required anchor tenants and debt financing for the Project; and

WHEREAS, SKS has requested an amendment to the OPA to extend construction start and completion dates; and

WHEREAS, the City desires to amend the OPA per the request of SKS to facilitate development of the Project; and

WHEREAS, ORSA desires to assign its rights, other than its right to collect extension fees under the OPA and possible liquidated damages in the event of a default under the OPA, and obligations under the OPA to the City; and

WHEREAS, the amendment of the OPA will include an obligation by SKS to fund City staff costs until the Project commences construction; now, therefore, be it

RESOLVED: That the City Council hereby authorizes the City to accept an assignment of and assume ORSA's rights and obligations under the OPA, other than ORSA's right to collect extension fees under the OPA and possible liquidated damages in the event of a default under the OPA; and be it further

RESOLVED: That the City Council hereby authorizes an amendment to the OPA consistent with the terms described in "Exhibit A – Summary of Terms" attached to this Resolution; and be it further

RESOLVED: That any extension fees or liquidated damages collected pursuant to the terms of the amended OPA shall be payable to ORSA; and be it further

RESOLVED: That a non-refundable \$25,000 annual staffing fee payable to the City pursuant to the amended terms of the OPA shall be deposited and appropriated into Central District Projects Fund (5999), Downtown Organization (85245), Project to be determined; and be it further

RESOLVED: That non-refundable extension fees of \$75,000 and \$50,000 payable to the City pursuant to the amended terms of the OPA shall be deposited and appropriated into Central District Projects Fund (5999), Downtown Organization (85245), Project to be determined; and be it further

RESOLVED: That the City finds and determines, after independent review and consideration, that this action complies with CEQA because it is exempt from CEQA pursuant to Section 15061(b)(3) (general rule) of the CEQA Guidelines; and be it further

RESOLVED: That the City Administrator or her designee shall cause to be filed with the County of Alameda a Notice of Exemption for this action; and be it further

RESOLVED: That all documents necessary to effect the assignment and transfer of ORSA's rights and responsibilities under the OPA to the City, and to amend the OPA, executed pursuant to this Resolution shall be reviewed and approved by the City Attorney, and copies shall be placed on file with the City Clerk; and be it further

RESOLVED: That the City Administrator is authorized to negotiate and execute assignment and amendment agreements and associated documents and take whatever other action is necessary with respect to the Project, the Property, and the assignment and amendment of the OPA consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, JUN 07 2016, 2016

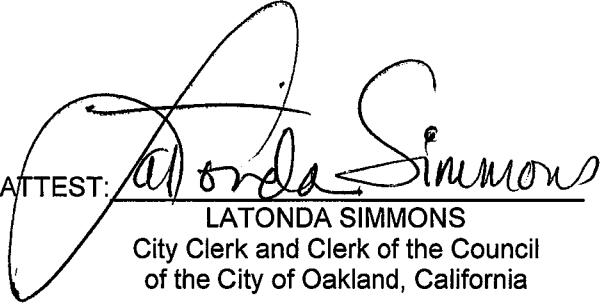
PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, ~~REID~~ AND PRESIDENT GIBSON McELHANEY - 7

NOES- 0

ABSENT- 1 - REID

ABSTENTION- 0

ATTEST: 
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

RESOLUTION (1) ACCEPTING ASSIGNMENT OF AN AMENDED AND RESTATED OWNER PARTICIPATION AGREEMENT (“OPA”) BETWEEN THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY AND SKS BROADWAY, LLC, FOR DEVELOPMENT AT 1100 BROADWAY; AND (2) AMENDING THE OPA TO EXTEND DEVELOPMENT DEADLINES, ADD STAFFING CHARGES. AND INCREASE EXTENSION PAYMENTS

EXHIBIT A

Summary of Terms

OPA Terms	Proposed OPA Amendment
Deadline to Start Construction: June 25, 2015	<i>Initial Extension:</i> June 25, 2017 <i>Extension Option:</i> June 25, 2019
Deadline to Substantially Complete Construction: April 27, 2017	<i>Initial Extension:</i> April 27, 2019 <i>Extension Option:</i> April 27, 2021
Payments for Extensions	<i>Initial Extension:</i> \$75,000 <i>Extension Option:</i> \$50,000
Payment for City Staff Time	\$25,000 per year until Project commencement of construction
Site Activation	Installation of public art, probably a large sculpture and touch-up of mural on Key System Building