

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2021 MAR 23 PM 12: 57

APPROVED AS TO FORM AND LEGALITY

  
CITY ATTORNEY'S OFFICE

## OAKLAND CITY COUNCIL

RESOLUTION NO. 88560 C.M.S.

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**A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A FIRST AMENDMENT TO AN AMENDED AND RESTATED MANAGEMENT AGREEMENT WITH INTEGRATIVE SERVICES CORPORATION FOR THE MANAGEMENT AND OPERATION OF THE GEORGE P. SCOTLAN MEMORIAL CONVENTION CENTER, AUTHORIZING THE USE OF CAPITAL RESERVES, IN AN AMOUNT NOT TO EXCEED \$160,000, FOR THE PAYMENT OF OPERATING EXPENSES DURING FISCAL YEAR 2020-21 AND INCREASING THE ANNUAL SET-ASIDE FOR CAPITAL RESERVES FROM 6 PERCENT TO 8 PERCENT OF OPERATING REVENUE FOR 4 YEARS**

**WHEREAS**, the City of Oakland (City) owns the George P. Scotlan Memorial Convention Center (Convention Center") located at 550 10th Street, which also includes a public parking garage (Garage); and

**WHEREAS**, the Convention Center is attached to the Oakland Marriott City Center hotel (Marriott) located at 1001 Broadway; and

**WHEREAS**, on January 26, 2017, as authorized by City Council Resolution No. 86525 C.M.S., dated December 13, 2016, the City and Integrative Services Corporation (ISC) entered into that certain Amended and Restated Oakland Convention Center and Convention Center Garage Management Agreement for the Management and Operation of the George P. Scotlan Memorial Convention Center (Management Agreement), which provides for coordinated use and operation of the Convention Center, the Garage and the Marriott; and

**WHEREAS**, on March 16, 2020, the County of Alameda issued a shelter-in-place order in response to the Covid-19 epidemic, effectively closing operation of the Convention Center, but not of the Garage, for an indeterminate period of time; and

**WHEREAS**, the shelter-in-place order has caused significant operating shortfalls at the Convention Center that have depleted the City's operating reserve; and

**WHEREAS**, the City and ISC wish to amend the Management Agreement to authorize the use by ISC of up to \$160,000 from the Convention Center's capital reserve for the payment of operating expenses until June 30, 2021, notwithstanding Section 6.2 of the Original Agreement; and

**WHEREAS**, per the terms of the Management Agreement, ISC must set aside 6 percent of gross operating revenues generated by the Convention Center to fund a capital reserve each year; and

**WHEREAS**, the City desires to increase the annual set-aside for capital reserves from 6 percent to 8 percent of operating revenue for 4 years to replenish the capital reserve; now, therefore, be it

**RESOLVED:** That the City Administrator or his designee is authorized, without returning to the City Council, to negotiate and execute a First Amendment to the Management Agreement with ISC authorizing ISC (1) to reallocate up to \$160,000 from the Convention Center's capital reserve for the payment of operating expenses through June 30, 2021, notwithstanding Section 6.2 of the Management Agreement; and (2) to replenish the capital reserve by increasing the annual capital reserve set-aside from 6 percent to 8 percent of operating revenue for a period of 4 years commencing on January 1, 2022; and be it

**FURTHER RESOLVED:** That the City finds and determines, after independent review and consideration, that the authorization to enter into the First Amendment to the Original Agreement with ISC is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15061(b)(3) (common sense exemption); and be it

**FURTHER RESOLVED:** That any and all documents necessary to effectuate the intent of this Resolution shall be reviewed and approved as to form and legality by the City Attorney prior to execution by the City Administrator or his or her designee and a copy shall be filed with the City Clerk; and be it

**RESOLVED:** That the City Administrator or his or her designee is further authorized to negotiate and enter into other agreements and take whatever action is necessary and consistent with this Resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA,

MAR 16 2021

PASSED BY THE FOLLOWING VOTE:

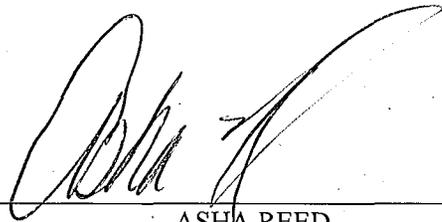
AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND  
PRESIDENT FORTUNATO BAS 8

NOES - 0

ABSENT - 0

ABSTENTION 0

ATTEST:



ASHA REED

City Clerk and Clerk of the Council of the  
City of Oakland, California