Resolution No. R 06-017

REDEVELOPMENT AGENCY

REDEVELOPMENT AGENCY
OF THE CITY OF STOCKTON AUTHORIZING EXECUTION BY THE AGENCY OF A
SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT
WITH REGENT HOTEL, LLC.

WHEREAS, the City Council of the City of Stockton (the "City Council") has approved a
redevelopment plan for the West End Urban Renewal Project No. 1 (the "Project Area"), as
adopted by the City Council by Ordinance No. 039-91 on July 15, 1991, and as currently
amended (the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Agency of the City of Stockton (the "Agency") is vested
with responsibility pursuant to the Community Redevelopment Law (Part 1 of Division 24 of the
Health and Safety Code of the State of California) (the "Law") to implement the Redevelopment
Plan in the Project Area; and

WHEREAS, the Agency has selected Regent Hotel, LLC, a California corporation (the
"Developer"), to develop a hotel, including a conference center and restaurant (the
"Development") on an approximately 3.5-acre parcel owned by the City located on the south
side of Fremont Street between Commerce and Monroe Streets in the Project Area in the City of
Stockton (the "Property"); and

WHEREAS, on March 2, 2004, the Agency authorized entering into a Disposition and
Development Agreement (the "DDA") with the Developer and the Agency has so entered into
said DDA, under which the Developer has agreed to develop and operate the Development on
the Property; and

WHEREAS, on May 10, 2005, the Agency authorized a First Amendment to the DDA,
which made several substantive and procedural changes including the addition of thirty-six (36)
condominiums to the project; and

WHEREAS, redevelopment of the Property pursuant to the DDA will serve major
Redevelopment Plan goals and objectives by alleviating the existing blight in the Project Area,
attracting new patrons to neighboring businesses, encouraging new economic investment and
creating new employment opportunities; and

WHEREAS, at the time that the DDA was approved and first amended, the hotel was in
an early stage of design, and subsequently the design has progressed; and

WHEREAS, as a result, additional refinements to the scope of the Development have
been made; and

WHEREAS, certain additional changes to the DDA have been proposed in order to
facilitate the financing of, and changes to, the proposed Development, including a change to the
design of the hotel to add an additional six (6) condominiums for a total of forty-two (42)
condominiums; and
WHEREAS, there is a need to amend the DDA to establish a process for the Agency to release each individual condominium unit from the obligations of the DDA when it is sold to a retail purchaser; and

WHEREAS, the need still exists for Developer to submit, and for the Agency to approve, a Finance Plan and Final Construction Plans; and

WHEREAS, the Developer and the City have agreed that certain parking spaces in the Development parking lot near the Arena will be made available for short-term use by patrons of the Arena using the Arena ticket windows and the memorialization of this agreement in writing is forthcoming; and

WHEREAS, on December 9, 2003, the City Council of the City of Stockton as "lead agency" considered and certified, and the Agency, as "responsible agency," approved, the Environmental Impact Report ("EIR") for the Events Center Project in accordance with the requirements of the California Environmental Quality Act and related state and local implementing guidelines ("CEQA"). The Amendment being approved hereby is within the scope of the certified EIR, and the EIR is intended to serve as the CEQA documentation for consideration of approval of the Amendment; and

WHEREAS, the Agency has reviewed and considered the Addendum #2/Initial Study (IS2-06) to the EIR, which was prepared in order to update the environmental documentation for this project; and

WHEREAS, the Agency has determined that the EIR, as amended by the Addendum #2/Initial Study (IS2-06) for the Stockton Event Center, has been completed in compliance with the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the City of Stockton Guidelines for the Implementation of CEQA; and

WHEREAS, the anticipated benefits of these proposals outweigh the unavoidable or unresolved adverse environmental effects for the project as supported by the Findings and Mitigation Monitoring/Reporting Program for the Stockton Event Center, as dated December 2003; and

WHEREAS, pursuant to Sections 15091 and 15093 State CEQA Guidelines, all applicable approvals are based on, and subject to, the adopted findings, mitigation measures and mitigation monitoring/reporting provisions, as specified in the Findings and Mitigation Monitoring/Reporting Program for the Stockton Event Center, as dated December 2003; and

WHEREAS, the staff report accompanying this Resolution contains additional information and analysis considered by the Agency in connection with this Resolution (the "Staff Report"); now, therefore,

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The Agency finds and determines that the above recitals are true and correct, and together with the Staff Report have served as the basis, in part, for the actions of the Agency set forth in this Resolution.
2. The Agency hereby certifies that, in considering approval of the Amendment, the Agency has considered the EIR, and all comments received during the public review process on the EIR, as amended by the Addendum #2/Initial Study (IS2-06).

3. The Agency finds and determines based upon the Staff Report and the provisions of Public Resources Code section 21090, that the EIR and Addendum #2/Initial Study (IS2-06) have served as the Agency's environmental documentation pursuant to CEQA for consideration and approval of the Amendment, and that any minor changes to the Development in the Amendment do not alter these determinations.

4. The Agency finds that the Amendment will assist in the elimination of blight pursuant to the Redevelopment Plan and the Law and is consistent with the implementation plan adopted by the Agency pursuant to Health and Safety Code section 33490. These findings are based on the facts and analysis set forth in the Staff Report accompanying this Resolution.

5. The Agency hereby approves the Amendment and authorizes the Agency Chairperson or the Agency Executive Director to execute on behalf of the Agency the Amendment, substantially in the form on file with the City Clerk and the Agency Secretary, with such changes as are approved by the Agency signatory (such approval to be conclusively evidenced by the execution of the Amendment), with the condition precedent that Developer shall have reached a written agreement with the City as to the provision of certain parking spaces within the Development parking lot for short-term use by patrons of the Arena, and that Developer shall have filed and Agency shall have approved the Finance Plan and Final Construction Plans, all prior to execution of the Amendment.

6. In compliance with 14 California Code of Regulations, section 15096(j), the Executive Director is authorized and directed to file a Notice of Determination on behalf of the Agency in connection with the Agency's use of the EIR and Addendum #2/Initial Study for purposes of approval of the Amendment and this Resolution.

7. The Executive Director is authorized to take such action as deemed necessary to carry out the purpose and intent of the Amendment and this Resolution, including execution of any ancillary documents referenced in or necessary to implement the Amendment.

8. This Resolution shall be effective immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED MAY 9, 2006

EDWARD J. CHAVEZ, Chairperson
Redevelopment Agency of the City of Stockton

ATTEST:

KATHERINE GONG MEIDINGER
Redevelopment Agency of the City of Stockton

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