

RESOLUTION NO. 2017-0414

Adopted by the Sacramento City Council

October 31, 2017

Granting A Waiver of Section 4.2 of the Comprehensive Project Agreement for the Exclusive Purpose of Allowing the Relocation of Convention Center Events to Sleep Train Arena

BACKGROUND

- A. On May 20, 2014, Council approved the Comprehensive Project Agreement (CPA) with Sacramento Basketball Holdings LLC, Sacramento Downtown Arena LLC, and Sacramento Kings Limited Partnership.
- B. Section 4.2 of the CPA sets out a non-compete prohibition for Sleep Train Arena, which was designed, in part, to ensure that the Golden 1 Center remain economically viable for both the City and the Kings.
- C. On May 30, 2017, in Resolution 2017-0216, the City Council directed staff to move forward with a plan for the renovation and expansion of the Convention Center.
- D. This construction work on the Convention Center will result in some events needing to be relocated.
- E. Visit Sacramento has been working to identify alternate locations, including Sleep Train Arena and the Golden 1 Center, to house those events that will need relocation.
- F. Retention of Convention Center events in Sacramento is a priority for the City during the renovation and expansion of the Convention Center, in part, so that the City and region can retain the economic benefits of those events, including associated transient occupancy tax and sales tax.
- G. Due to scheduling conflicts, events cannot be relocated to the Golden 1 Center, and the relocation of these events to Sleep Train Arena will not affect the economic viability of the Golden 1 Center for either the City or the Sacramento Kings.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The requirements set forth in Section 4.2 of the CPA are hereby waived until December 31, 2020 for the exclusive purpose of allowing for the relocation of Convention Center events to Sleep Train Arena located at 1 Sports Parkway in the Natomas area of Sacramento.
- Section 2. The City Council reserves the right to rescind this waiver at any time with not less than 30 days' notice to Sacramento Basketball Holdings LLC, Sacramento Downtown Arena LLC, and Sacramento Kings Limited Partnership.
- Section 3. With the exception of Section 4.2, all other sections of the CPA remain in force.

Adopted by the City of Sacramento City Council on October 31, 2017, by the following vote:

Ayes: Members Carr, Guerra, Harris, Hansen, Jennings, Schenirer, Warren and Mayor Steinberg

Noes: None

Abstain: None

Absent: Member Ashby

Attest:

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.