

AMENDED

RESOLUTION NO. 2004-010

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF MAR 0 4 2004

AUTHORIZATION TO EXECUTE AN EXCLUSIVE RIGHT TO NEGOTIATE AGREEMENT AND LETTER OF INTENT WITH CINEARTS SACRAMENTO LLC FOR THE REDEVELOPMENT PROJECT AT 10th and K STREETS AND TO ESTABLISH A NONPROFIT FINANCING CORPORATION FOR IMPLEMENTATION OF THE PROJECT

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1. CineArts Sacramento LLC ("CineArts") is the preferred theater operator for the Agency's 10th and K Theater Project, located at 1000 - 1022 K Street.

Section 2. City Manager is authorized to execute, on behalf of the Agency, an Agreement for Exclusive Right to Negotiate, substantially in the form on file with the Agency Clerk, for a 180-day period regarding the terms of an agreement for the redevelopment of the sites. If, during the negotiation period, the Agency reasonably determines that the parties are at an impasse in the negotiations and that further negotiations would not likely be successful, the Agency may terminate negotiations by written notice of Robert Thomas, City Manager, or Betty Masuoka, Assistant City Manager, acting on behalf of the Agency.

Section 3. City Manager, as the Agency's designee, is authorized to execute a non-binding Letter of Intent between the Agency and CineArts, which outlines the basic business terms as set out in the staff report that accompanies this resolution.

Section 4. Staff is authorized to initiate establishment of a nonprofit financing corporation for implementation of the Project, with final structure and membership to be approved at a later date.

Section 5. Staff is directed to analyze the impacts to the Crest and Tower Theaters and prepare mitigation plans for the Crest and Tower Theaters.

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Heather Fargo CHAIR

ATTEST:

Shirley Concolino
SECRETARY

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