

**RESOLUTION NO. 74478**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSÉ AUTHORIZING THE DIRECTOR OF FINANCE TO NEGOTIATE AND EXECUTE A FIRST AMENDMENT TO THE CONTINUATION AGREEMENT WITH HORWATH HOSPITALITY & LEISURE, LLC RELATING TO ASSET MANAGEMENT OVERSIGHT SERVICES FOR THE DOLCE HAYES MANSION**

**WHEREAS**, the City of San José (“City”) entered into an agreement with Horwath Hospitality & Leisure, LLC (“Horwath”), effective December 1, 2004, under which Horwath provides asset management services to the Dolce Hayes Mansion on behalf of the City (“Agreement”);

**WHEREAS**, the Agreement has since been continued through 2007, and the City exercised a one-year option under the Agreement, extending the term of the Agreement through June 30, 2008; and

**WHEREAS**, the City desires to further extend the current Agreement with Horwath, as a change in asset managers would be disruptive to the short-term financial and operating success of the Dolce Hayes Mansion, and the continued services of Horwath will benefit the City due to Horwath’s familiarity with the property and its understanding of the property’s competitive market; and

**NOW, THEREFORE**, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The Director of Finance is authorized to:

1. Negotiate and execute the first amendment to the continuation agreement with Horwath Hospitality & Leisure, LLC to provide City with asset management oversight services related to the Dolce Hayes Mansion to:

- a. Extend the current term of the agreement for an additional one-year period of July 1, 2008 through June 30, 2009, and to increase the contract amount of \$234,826 by \$78,000 for a revised not to exceed amount of \$312,826; and
- b. Add two additional option years, at City's sole discretion, to extend the term of the agreement for the option terms of July 1, 2009 through June 30, 2010 and July 1, 2010 through June 30, 2011, respectively, for a total compensation for the term of the agreement from December 1, 2004 through June 30, 2011, in an amount not to exceed \$479,986.

2. Exercise the two one-year options subject to the appropriation of funds.

ADOPTED this 24<sup>th</sup> day of June 2008, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CORTESE, LICCARDO,  
NGUYEN, OLIVERIO, PYLE, WILLIAMS; REED.

NOES: NONE.

ABSENT: CONSTANT.

DISQUALIFIED: NONE.

---

CHUCK REED  
Mayor

ATTEST:

---

LEE PRICE, MMC  
City Clerk