

## ATTACHMENT B

### CITY OF SAN JOSE CONVENTION CENTER FACILITIES DISTRICT NO. 2008-1

#### AUTHORIZED CONVENTION CENTER FACILITIES

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The Convention Center Facilities District special tax may finance any acquisition, construction, reconstruction, replacement, rehabilitation or upgrade, with an expected useful life of 5 years or longer, of any Convention Center Facility as defined in Section 14.32.220 of the Chapter. Pursuant to Section 14.32.300 of the Chapter, the Convention Center Facilities District special tax may be spent on the following: debt service; lease payments; costs of issuance of securities issued for the purpose of financing or refinancing Convention Center Facilities; administrative costs of the District; prepayment of such securities; direct costs of acquisition, design and construction of Convention Center Facilities; and ongoing capital repair and capital replacement of Convention Center Facilities.

Whether any such facility will be financed is within the sole discretion of the City Council. It is the intention of the City Council to develop the Phase I project outlined below. However, project components may be delayed if the capital markets limit the ability to issue bonds, the Redevelopment Agency's ability to partially fund the project changes, or other *force majeure* circumstances beyond the control of the City occur, including: acts of God (including fire, flood, earthquake, storm, hurricane or other natural disaster); terrorist activities; labor disputes, strikes and lockouts; shortage of supplies, equipment, or materials; or any other reason where failure to perform is beyond the reasonable control of the City and the City has exercised all reasonable efforts to avoid or remedy such *force majeure*. If the Phase I Project cannot be completed in its entirety, the City will seek a recommendation from an advisory committee to the City Manager (i.e. "Capital Facilities Advisory Committee") to assist in redefining the Phase I Project within the limits of Section 14.32.220 of the Chapter. The Capital Facilities Advisory Committee, established under the Agreement for the Management of the San Jose Convention Center and Cultural Facilities between the City of San José and Team San Jose, Inc., shall consist of four members from the hotel industry to be selected by Team San Jose, Inc., a California nonprofit mutual benefit corporation (the "Operator"), and four members from the City or Redevelopment Agency selected by City.

Ongoing capital repair and capital replacements shall be funded from special tax collections in excess of administrative fees, debt service or lease payments, and related financing costs (e.g. reimbursement payments to the City of the Redevelopment Agency). A long-range capital replacement plan shall be prepared and updated by the convention center Operator annually.

The Convention Center Facilities District special tax in excess of the capital repair and replacement expenditures needed for the San Jose Convention Center to achieve a quality level consistent with its competitors may finance future acquisition, construction, reconstruction, replacement, rehabilitation or upgrade, with an expected useful life of 5 years or longer, of any Convention Center Facility as defined in Section 14.32.220 of the Chapter.

## ATTACHMENT B

Whether any additional Convention Center Facilities will be financed is within the sole discretion of the City Council. However, the City Council will, before ordering the financing of any additional Convention Center Facilities, consult with the Capital Facilities Advisory Committee to consider its views on whether any of the Convention Center Facilities should be financed.

### Phase I Project

The Phase I Project will include the following components:

1. Existing Convention Center Renovation
  - a. Fire Alarm and Protection - Replace the fire alarm and protection system consistent with current codes.
  - b. Central Plant - Replace the heating, ventilation, and air conditioning system including related pumps, chillers, exhaust fans, boilers, heat exchangers, cooling towers, and related electrical systems.
  - c. Building Management System - Replace the building management system with a direct digital control system that controls building systems.
  - d. Roof and Terraces - Replace flat roofs with single-ply overlay at build-up roofing, gutter system at aluminum barrel roof; and IPB glass block grid system. Waterproof terraces.
  - e. Exhibit Halls - Replace ACT ceiling panels and paint grid; replace/refurbish operable walls and tracks; reconfigure and replace acoustic wall panels; install new way finding; paint walls; reconfigure and replace lights; drop existing pick points below the ceiling; add additional pick points; repair and paint restrooms; replace and/or repair doors and door hardware.
  - f. Ballroom - Replace carpet tiles; repair and paint metal ceiling; replace operable walls and tracks; install new way finding; reconfigure and replace acoustic wall panels; paint walls; replace down lights; repair and paint restrooms; replace and/or repair doors and door hardware.
  - g. Exhibit Level Concourse - Replace carpet tiles; paint walls; install wall graphics; installing new way finding; refurbish metal slat ceiling; repair and paint metal ceiling; replace ACT ceiling panels and paint grid; reconfigure lighting; repair and paint restrooms; replace and/or repair doors and door hardware.
  - h. Meeting Rooms and Corridors - Replace carpet tiles; replace ACT ceiling panels and paint grid; replace/refurbish operable walls and tracks; install new way finding; reconfigure and replace acoustic wall panels; paint walls; repair and paint restrooms; replace and/or repair doors and door hardware.
  - i. Arcade - Paint walls; install wall graphics; install new way finding; refurbish metal slat ceiling; replace ACT ceiling panels and paint grid; reconfigure lighting; repair and paint restrooms; replace and/or repair doors and door hardware.

## ATTACHMENT B

- j. Elevators and Escalators - Refurbish elevator cabs on public elevators, refurbish controllers, power units, fixtures, and selectors; and refurbish escalator rollers, steps, comb-plate, and handrails.
  - k. Surveillance System - Replace existing cameras, door monitoring, front-end equipment, control panels and recording systems.
  - l. Kitchen - Renovate the existing kitchen to accommodate the needs of the existing and expanded convention center including reconfiguration of kitchen area and replacement of equipment. Kitchen may be an additive alternate in the Phase 1 project.
2. Convention Center Expansion

The convention center expansion will be developed to current, competitive, “Class A” standards and include all the function and support spaces required for effective operations. Key components of the expansion will include:

- a. Exterior Façade - The exterior of the building will consist of a glass curtain wall and metal panel system. A 3,300 ± square foot programmable LED media messaging display wall may be included as an additive alternate in the Phase 1 project.
- b. Lobby - A new lobby will be constructed that connects the existing convention center to the expanded facility.
- c. Ballroom - A 35,000 square foot, column-free ballroom with 30-foot clear ceilings, and operable wall divisibility. In addition, the ballroom will be expandable to 43,000 square feet.
- d. Junior Ballroom - A 20,000 square foot, column-free junior ballroom with 25-foot clear ceilings, and operable wall divisibility. In addition, the junior ballroom will have operable walls enabling expansion to 37,000 square feet.
- e. Service - A plating kitchen, pre-function and back of house areas and systems to service the expansion space.
- f. Wayfinding and Signage - A new wayfinding system will work throughout the renovated and expanded facility.
- g. The expansion will be a LEED-Silver rated building in accordance with City policy.
- h. Furniture, Fixtures and Equipment (F.F.&E.)- The F.F.&E. to operate the convention center with an expected useful life of 5 years or longer. Some F.F.&E. may be additive alternates in the Phase 1 project.