Peralta District and Chicago Developer Plans Bid to Save Kaiser Convention Center

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Friday, November 25, 2005

A public-private partnership proposal put together by the Peralta Community College District and a Chicago sports and entertainment developer may be Oakland’s only chance to keep the city’s longstanding Henry J. Kaiser Convention Center from imminent closure.

An aide to Peralta Chancellor Elihu Harris said that the partnership came from a discussion between Peralta and the International Facilities Group (IFG) while both organizations were attending a bidding meeting for proposals to save the Convention Center.

“We’re pretty excited about this,” said Harris Special Assistant Alton Jelks. “We believe it will be a tremendous showcase for the performing arts departments of the four Peralta colleges. And we’re very optimistic that something can be worked out with the city.”

Under the proposal, IFG would be responsible for managing the two-venue center, bringing in whatever local, national, and international acts it could generate to make money, with Peralta using the center for performances generated by students from Laney, Merritt, Vista, and College of Alameda. The colleges also hope to operate a public speakers’ series in the auditorium portion of the Center. The City of Oakland would retain ownership of the Convention Center.

IFG, which works on building sports and entertainment facilities nationwide, had roles in developing stadiums for the Chicago Bulls and the Chicago White Sox. In the Bay Area, the firm operates the Bob Hope Theater in Stockton and manages the new Stockton Event Center, slated to open in December 2005, according to the city administrator’s report.

Jelks said that there is a possibility that the Bill Graham Presents production organization, now owned by national giant Clear Channel, Inc., might also be brought into the operation in some manner.

Karen Boyd, an assistant to Oakland City Administrator Deborah Edgerly, said that the IFG/Peralta proposal was “our only real, viable proposal.”

She said that Edgerly had initially recommended against the proposal because it involved a larger subsidy from the city than city officials were prepared to make. But she said that after City Councilmembers expressed interest in the proposal, IFG representatives and city officials entered negotiations to try to reduce the proposed city allocation.

“They’re trying to see if they can get the city allocation down to $175,000 a year,” Boyd said, adding that members of City Council’s Finance and Management Committee had noted that this would only be slightly larger than the estimated $95,000 a year it would cost the city to mothball the facility.”

Boyd said that the City Administrator’s office would make a report on the negotiations to the full City Council at Council’s December 6 meeting, at which the Council is expected to make a decision on the IFG/Peralta proposal.

The Convention Center has operated for years as Oakland’s mid-level public events and entertainment facility, with an auditorium and adjoining Calvin Simmons Theater. The center is used for such activities as the city’s annual public school holiday extravaganza, circuses, school graduations, and performances.
by such city organizations as the Oakland Ballet.

But facing yearly operating losses of a half a million dollars, the cash-strapped Oakland City Council decided this year to close down the facility as of Dec. 31. In addition, the council authorized the city administrator’s office to issue RFP’s for organizations who wanted to take over management of the facility.

Both IFG and Peralta put in separate proposals.

“But during the time we were meeting with city officials, IFG suggested that we might work together on a joint proposal,” Jelks said. “It makes sense for Peralta to make this attempt to use the Kaiser as a performing arts center. A lot of community college districts have their own centers. We would like to have one of our own, but there’s not much chance that we could ever come up with the $30 million to $40 million that would be needed to build one from the ground. But here we’ve got one right next door to one of our facilities.”

Jelks said that the Peralta colleges would not be expected to provide money for the venture, but would contribute staff support, as well as provide acts and potential audience for many performance dates.

The Kaiser Convention Center proposal was developed out of Chancellor Harris’ office. Trustees have not yet publicly discussed the proposal. In addition, the proposal does not appear to have gone through Peralta’s shared governance procedure, which requires that it be vetted through the district’s administrative, faculty, and student groups.

This is not the first time that the Peralta Colleges have been mentioned as a possible partner in saving the Kaiser Convention Center.

Last summer, Gerry Garzon, Administrative Librarian with the Oakland Public Library, told Peralta trustees his agency is looking at the Kaiser Convention Center as a possible site for a new main library, and was interested in partnering with Laney College to use a portion of the space for the Laney College Library.

The proposal won praise from some of the trustees, but after representatives of the Laney College Library and the Laney College Faculty Senate threw cold water on the idea, saying that the mission of the college library was incompatible with the mission of the Oakland Public Library, the proposal was quietly dropped.

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