

CITY OF OAKLAND



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Date: January 25, 2021
To: Members of City Council and Members of the Public
From: Vice Mayor Kaplan
Re: Adopt A Resolution Directing City Council Representatives On The Oakland-Alameda County Coliseum Joint Powers Authority Board To Seek Board Approval To Disburse Up To Ten Million Dollars (\$10,000,000) To The City Of Oakland, And Accepting And Appropriating Any Disbursement In An Amount Up To Ten Million Dollars (\$10,000,000) To The City Of Oakland From The Oakland-Alameda County Coliseum Authority.

Dear Colleagues on the City Council and Members of the Public,

I encourage you to support a resolution directing City Council representatives on the Oakland-Alameda County Coliseum Joint Powers Authority Board to seek board approval to disburse up to ten million dollars (\$10,000,000) to the City of Oakland, and accept and appropriate any disbursement in an amount up to ten million dollars (\$10,000,000) to the City of Oakland from the Oakland-Alameda County Coliseum Authority. These funds will be critical in closing the budget shortfall that the City of Oakland faces, and prevent cuts to vital programs and services that are critical to keeping our communities safe and healthy.

In 1996, the Oakland-Alameda County Coliseum Authority issued a \$100 million bond to the Golden State Warriors to renovate Oracle Arena. In 2019, the Warriors departed Oakland for a new arena in San Francisco. The team still owed an estimated \$40 million of bonded debt from their renovation project. Consequently, the Oakland-Alameda County Coliseum Authority and the Warriors have engaged in arbitration and litigation since 2018 to determine whether the Warriors were obligated to pay the remaining debt. In November 2020, a Court of Appeal ruled that the Warriors must pay their debt and pay the costs and fees that the city of Oakland incurred. This ruling was appealed to by the Warriors to the California Supreme Court, which they ultimately rejected on December 9, 2020.

The Oakland-Alameda County Coliseum Authority has been holding funds in reserve pending the outcome of the Warriors litigation. At the January 15th meeting of the Coliseum Authority Board, confirmation was provided that there is \$20 million available, which can be disbursed, to transfer \$10 million each to the City of Oakland and the County of Alameda.

The City of Oakland faces significant threat of loss of vital public services, including emergency fire and medical response, and thus, is in need of obtaining funds to preserve the safety of the public and vital services. I ask you to join me in asking that the City Council Representatives on the Oakland-Alameda County Coliseum Joint Powers Authority Board seek Board approval to disburse up to ten million dollars (\$10,000,000) to the City of Oakland and that the City accept and appropriate such disbursement.

Respectfully submitted,

A handwritten signature in purple ink that reads "Rebecca Kaplan".

Vice Mayor Rebecca Kaplan
Oakland City Councilmember At Large

Finance & Management Committee
January 25, 2021
File # 21-0051