

CITY OF OAKLAND



CITY HALL • 1 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612
#LoveLife
REBECCA KAPLAN (510) 238-7008
Vice Mayor Fax: (510)238-6910
atlarge@oaklandnet.com TDD: (510) 839-6451

Date: November 16, 2021
To: Members of City Council and Members of the Public
From: Vice Mayor Rebecca Kaplan and Councilmember Noel Gallo
Re: Coliseum ENA Action to

Adopt One of The Following Resolutions:

1. A Resolution Authorizing The City Administrator, Or Designee, To Enter Into An Exclusive Negotiating Agreement (ENA) With The African American Sports And Entertainment Group (AASEG), For A Period Of One Year, With One Administrative Option To Extend For Twelve (12) Months, To Work Toward The Acquisition And Development (Including Purchase, Lease, Or Partnership) Of The City's Share of the Oakland Coliseum Complex, Consisting Of Various Parcels Bounded By San Leandro Street, 66th Avenue, Hegenberger Road And Interstate 880, Including, During the ENA Period, To Negotiate Terms For, But Not Limited To, The Financial Plan, And Community Benefits, And Authorizing And Accepting Payment Of An ENA Fee Of \$200,000 Per Year And Project Expense Payments To The City Of Oakland.

or

2. A Resolution Authorizing The City Administrator, Or Designee, To Enter Into An Exclusive Negotiating Agreement (ENA) The Stewart Property Group, LLC, Dave Stewart And Lonnie Murray, For A Period Of One Year, With One Administrative Option To Extend For Twelve (12) Months, To Work Toward The Acquisition And Development (Including Purchase, Lease, Or Partnership) Of The City's Share Of The Oakland Coliseum Complex, Consisting Of Various Parcels Bounded By San Leandro Street, 66th Avenue, Hegenberger Road And Interstate 880, Including, During The ENA Period, To Negotiate Terms For, But Not Limited To, The Financial Plan, And Community Benefits, And Authorizing And Accepting Payment Of An ENA Fee of \$200,000 Per Year And Project Expense Payments To The City Of Oakland.

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

The Coliseum Complex, which includes the Coliseum outdoor stadium, the indoor Arena which has been used for basketball, concerts and more, and related parking and other facilities, has long been a large-scale public space hosting major games and events -- with tens of thousands of people. This potential hub for growing economic opportunity can be used in a way to provide thousands of jobs to Oakland residents, opportunities for local business participation, and community engagement. It is located in East Oakland, which has historically been underinvested and harmed by past decisions that undermined key community needs. These communities are in danger of further disinvestment with the uncertainty of the Coliseum Complex's future and risk losing jobs and economic opportunities if the site is not revived in a positive and effective way. As we move forward to determine the future of the Complex, the City of Oakland must effectively pursue economic opportunities in ways that benefit our community and ensure that the new project improves, not harms, conditions for long-time disparately-impacted communities. This centrally-located site, with easy transit access, parking and freeway access, nearby airport, with connector, in a priority development area, should be used in a way that will help the local community and provide housing at all income levels,

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jobs, and a positive presence. For more prior writings on a vision for the future of this important site, see: <https://www.postnewsgroup.com/opinion-a-vision-for-the-future-of-the-coliseum-area/>

The City of Oakland, in 2019, declared the Coliseum site to be “surplus” land, and provided notice of this publicly. The Oakland City Council has previously authorized staff to pursue the potential for the future of the Coliseum site with multiple developers, which after further meetings and evaluation, was then narrowed down to two -- the African American Sports and Entertainment Group (AASEG), and the Stewart Property Group LLC.

AASEG is comprised of Loop Capital, SUDA, LLC, 360 Total Concept and The Robert Bobb Group. It is an Oakland-based developer focused on creating economic opportunity for the Black community in East Oakland and using the Coliseum Complex as a vehicle for economic equity and social justice. AASEG has met with over 30 community groups of faith-based institutions, labor organizations, civic leaders, and job development organizations, all of which back the mission of AASEG’s economic development plan. Additionally, AASEG has already submitted a proposal to which has been approved by the Oakland Alameda County Coliseum Joint Powers Authority to lease the Arena for use by a future professional women’s basketball team to be affiliated with the Women’s National Basketball Association league (WNBA).

The Stewart Property Group LLC consists of MLB Hall of Famer Dave Stewart and Lonnie Murray, the owner of Sports Management Partners. Also a part of the Stewart Property Group is HKS Architects, a global firm of architects and designers with a portfolio of sports and entertainment projects. LOGE Capital Partners is the capital partner of Stewart and Murray. They have recently also joined with Elaine Brown in this effort.

The development of the Coliseum site is an opportunity for Oakland to remedy some of the disparities highlighted in the 2017 Race and Gender Disparity Study, which found that African American businesses certified as Local/Small Local Business Enterprises lost \$42.9 million in city contracts from 2001-2016.

It is important that projects include plans and strategies to benefit the local community, including local hire, jobs and labor standards, affordable housing, and other needs of the local impacted communities. The Resolutions provided here would allow the Council to select one of the two developer teams for the city to enter into an Exclusive Negotiating Agreement (ENA), to pursue development of the site, and then to complete processes including entering into a community benefits agreement. The developer would be required to pay Project Expense Payments to cover the city’s costs to undertake this effort. Following the ENA, the ultimate Development Agreement would return to Council for authorization.

I present to my colleagues the opportunity to select which bidder will get the authorization to enter into an Exclusive Negotiating Agreement for the City’s 50% interest in the Coliseum complex.

Respectfully submitted,



Vice Mayor Rebecca Kaplan
Oakland City Councilmember At Large

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