

CITY OF OAKLAND

2004 APR -1 PM 12:26

RESOLUTION NO. \_\_\_\_\_ C. M. S.

INTRODUCED BY COUNCILMEMBER President De La Fuente

RESOLUTION DECLARING THE CITY OF OAKLAND'S SUPPORT FOR ASSEMBLY BILL 3003 REQUIRING THAT WHEN A PROFESSIONAL SPORTS TEAM ATTEMPTS TO MOVE WITHIN THE STATE, SPECIFIED MITIGATION REQUIREMENTS SHALL APPLY TO COMPENSATE THE LOCAL GOVERNMENTAL AGENCY FOR THE AREA FROM WHICH THE TEAM IS LEAVING.

WHEREAS, the City of Oakland is the joint owner, along with Alameda County, of the Oakland Alameda County Sports Complex, including the Coliseum and Arena; and

WHEREAS, three professional sports teams, the Oakland Athletics, Oakland Raiders and Golden State Warriors, have leases to use the Oakland Alameda County Sports Complex; and

WHEREAS, when a professional sports team leaves their community, it may create a substantial economic impact on that community; and

WHEREAS, the loss of such revenues may effect the funding of essential public safety and other municipal services; and

WHEREAS, it is in the best interest of the state that any city that may experience a loss of revenues due to the relocation of a professional sports team needs to be made whole in order to best protect public health and safety; and

WHEREAS, Assembly Member Christine Kehoe (San Diego) has introduced Assembly Bill 3003 to address the impact of such a loss of revenues; and

WHEREAS, AB 3003 would provide that whenever a professional sports team attempts to move within the state of California, it must follow certain mitigation requirements; and

WHEREAS, prior to entering into a contract with a professional sports team, the destination local government shall first enter into an agreement with the origin local government to reimburse the origin local government for revenues to that local government. This reimbursement shall include consideration of fiscal effects to the local government from reduced revenue experienced as a result of economic loss experienced by the community caused by loss of the Team; and

WHEREAS, AB 3003 would provide that an origin local government may waive its right to mitigation under if the team itself fully compensates the origin local government by an amount equal to what would be owed by a destination local government; now therefore be it

RESOLVED: that the City of Oakland declares its support for AB 3003; and be it further

RESOLVED: that the City Council directs the City's legislative lobbyist to advocate for the above position in the State Legislature.

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RULES & LEGISLATION  
CMTE

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IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

**PASSED BY THE FOLLOWING VOTE:**

AYES- BROOKS, BRUNNER, CHANG, NADEL, REID, QUAN, WAN AND PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST:

CEDA FLOYD  
City Clerk and Clerk of the Council  
of the City of Oakland, California

BILL NUMBER: AB 3003      INTRODUCED  
BILL TEXT

INTRODUCED BY    Assembly Member Kehoe

FEBRUARY 20, 2004

An act to add Section 37397.5 to the Government Code, relating to sports team relocation expenses.

LEGISLATIVE COUNSEL'S DIGEST

AB 3003, as introduced, Kehoe. Stadium leases: local government.

Existing law authorizes a city, county, or city and county to lease property owned, held, or controlled by it for not to exceed 99 years for stadium, park, recreational, fair, exposition, or exhibition purposes.

This bill would require that when a professional sports team attempts to move within the state, specified mitigation requirements shall apply to compensate the local governmental agency for the area from which the team is leaving.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 37397.5 is added to the Government Code, to read:

37397.5. (a) The Legislature finds and declares that professional sports teams that leave their communities may create a substantial economic impact on those communities. This loss of revenue effects the funding of essential public safety and other services. It is in the best interest of the state that any city that may experience a loss of revenues due to the relocation of a professional sports team needs to be made whole in order to best protect public health and safety.

(b) Whenever a professional sports team attempts to move within this state, the following mitigation requirements apply:

(1) Any local governmental agency that has a potential financial stake in the team and constitutes the area where the team is attempting to move shall be identified and shall be known as the destination local government.

(2) Any local governmental agency that has a potential financial stake in the team and constitutes the area where the team is attempting to move from shall be identified and shall be known as the origin local government.

(3) "Potential financial stake by the destination or origin local government" includes, but is not limited to, a lease arrangement, stadium or other venue renovations or enhancements, direct lease of facilities, or other quantifiable investment.

(4) Prior to entering into a contract with a professional sports team, the destination local government shall first enter into an agreement with the origin local government to reimburse the origin local government for revenues to that local government. This reimbursement shall include consideration of fiscal effects to the

local government from reduced revenue experienced as a result of economic loss experienced by the community caused by loss of the team.

(5) An origin local government may waive its right to mitigation under paragraph (4) if the team itself fully compensates the origin local government by an amount equal to what would be owed by a destination local government under paragraph (4).

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