

INTRODUCED BY COUNCILMEMBER REBECCA KAPLAN


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

ORDINANCE NO. _____ C.M.S.

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A PURCHASE AND SALE AGREEMENT WITH THE COUNTY OF ALAMEDA TO ACQUIRE THE COUNTY'S UNDIVIDED 50 PERCENT INTEREST IN THE MALIBU PROPERTY, LOCATED AT 8000 SOUTH COLISEUM WAY, OAKLAND, CALIFORNIA, FOR EIGHT MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$8,700,000) BASED ON THE COUNTY'S APPRAISED FAIR MARKET VALUE, WITH INTEREST FREE, SELLER-FINANCING TO BE PAID WITH 50 PERCENT OF PROPERTY REVENUES; AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

WHEREAS, the City and the County each own 50 percent undivided interests (the "City's Interests and the "County's Interest", respectively) in certain real property comprised of approximately 8.8 acres located at 8000 South Coliseum Way, Oakland, California (the "Malibu Property"); and

WHEREAS, the City and the County entered into a Memorandum of Understanding (Malibu Site) dated as of June 27, 2023 (the "Environmental MOU"), pursuant to which each party is responsible for 50 percent of the costs of environmental activities required to close two Alameda County Department of Environmental Health open cases (RO0000094 and RO0003382); and

WHEREAS, in accordance with Resolution No. 89898 C.M.S. adopted by the City Council on September 19, 2023, the City, the County, and Oakland Pro Soccer LLC, a California limited liability company ("OPS") entered into an Exclusive Negotiation Agreement dated as of October 20, 2023, as amended by a First (Administrative) Amendment to Exclusive Negotiation Agreement (Malibu Property) dated as of April 20, 2024 (collectively, the "ENA"); and

WHEREAS, OPS, the owner and manager of the Oakland Roots men's professional soccer team and Oakland Soul women's pre-professional soccer team, has proposed to lease the Property for a ten (10)-year term for the installation and use of a temporary, outdoor soccer venue built from modular components ("Project"); and

WHEREAS, the City and the County have each formally declared their respective interests in the Malibu Property as "surplus land" pursuant to the California Surplus Land Act ("SLA");

and

WHEREAS, on February 13, 2024, the County issued a Notice of Availability to Sell Surplus Property (“NOA”) pursuant to the SLA for the sale of the County’s Interest; and

WHEREAS, on April 12, 2024, the City sent a letter to the County in response to the NOA as an expression of the City’s intent to acquire the County’s Interest, for among other things, to facilitate the lease of the Malibu Property to OPS for development and operation of the Project pursuant to the ENA; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Administrator is hereby authorized to negotiate and execute a Purchase and Sale Agreement with the County to acquire the County’s Interest for an acquisition price of Eight Million Seven Hundred Thousand Dollars (\$8,700,000) (“Acquisition Price”) based on the County’s appraised fair market value, with interest free, seller-financing to be paid from 50 percent of the Malibu Property revenues as they are generated, whether by lease, licenses, or other means, less any outstanding balance owed by the County to the City pursuant to the Environmental MOU, until the Acquisition Price is paid in full.

SECTION 2. The City Administrator is further authorized to accept the deed conveying the County’s Interest to the City and to enter into other agreements and take whatever action is necessary consistent with this Ordinance and its basic purposes.

SECTION 3. The City Administrator is hereby authorized to accept and deposit Malibu Property revenues into the General Purpose Fund (1010), Real Estate Organization (85231), Real Estate Program (PS32), in a Project To Be Determined (TBD); with half the amount deposited in Miscellaneous Land Rental Revenue Account (44219), and the other half deposited in Due to County Government Liability Account (21317) to pay therefrom amounts to pay the Acquisition Price until paid in full.

SECTION 4. The purchase and sale agreements and any other documents necessary for the acquisition of the County’s Interest shall be approved as to form and legality by the City Attorney’s Office and a copy shall be filed with the Office of the City Clerk.

SECTION 5. The City Council hereby finds and determines, on a separate and independent basis, that this action will not result in direct or indirect physical change in the environment and does not in-and-of-itself constitute a “project” pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378. In the alternative, if it is deemed to be a project under CEQA, the common sense exemption (CEQA Guidelines 15061(b)(3)) applies to the project since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 6. Severability. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of

competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional

SECTION 7. Effective Date. This ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES – FIFE, GALLO, JENKINS, KALB, KAPLAN, RAMACHANDRAN, REID, AND
PRESIDENT FORTUNATO BAS

NOES –
ABSENT –
ABSTENTION –

ATTEST: _____
ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California

Date of Attestation: _____

NOTICE AND DIGEST

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A PURCHASE AND SALE AGREEMENT WITH THE COUNTY OF ALAMEDA TO ACQUIRE THE COUNTY'S UNDIVIDED 50 PERCENT INTEREST IN THE MALIBU PROPERTY, LOCATED AT 8000 SOUTH COLISEUM WAY, OAKLAND, CALIFORNIA, FOR EIGHT MILLION SEVEN HUNDRED THOUSAND DOLLARS (\$8,700,000) BASED ON THE COUNTY'S APPRAISED FAIR MARKET VALUE, WITH INTEREST FREE, SELLER-FINANCING TO BE PAID WITH 50 PERCENT OF PROPERTY REVENUES; AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

An Ordinance authorizing the City Administrator to negotiate and execute of a Purchase and Sale Agreement with the County of Alameda ("County") to acquire its 50 percent undivided interest in the Malibu Property for Eight Million Seven Hundred Thousand Dollars (\$8,700,000) ("Acquisition Price") based on the County's appraised fair market value, with interest free, seller-financing to be paid with 50 percent of the property revenues as they are generated, whether by lease, license or other means, until the Acquisition Price is paid in full; and adopting California Environmental Quality Act findings.