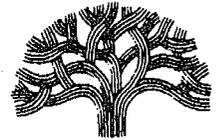


19 MAY 16 PM 4:00

CITY OF OAKLAND



ONE FRANK H. OGAWA PLAZA • 6TH FLOOR • OAKLAND, CALIFORNIA 94612

Office of the City Attorney  
Barbara J. Parker  
City Attorney

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May 21, 2019

HONORABLE CITY COUNCIL  
One Frank H. Ogawa Plaza, Second Floor  
Oakland, California 94612

**Re: Resolution Authorizing the Council's Representatives on the Oakland-Alameda County Coliseum Joint Powers Authority ("JPA") Board to Vote to Approve the Naming Rights Licensing Agreement Between The JPA and RingCentral, Inc., for the Oakland-Alameda County Coliseum with (1) A Three-Year Term Ending June 30, 2022, (2) An Annual Licensing Fee of One Million Dollars (\$1,000,000), (3) An Option For RingCentral to Extend the Agreement for an Additional 12 to 18 Months, and (4) RingCentral's Right to Rename the Coliseum for the Term along with the Replacement of Relevant Signage, Media Collateral, and Marketing Materials**

Dear President Kaplan and Members of the City Council:

**Purpose of the Resolution**

Pursuant to Rule 25<sup>1</sup> of the Council's Rules of Procedure Resolution 87044 C.M.S., the referenced resolution will authorize the City Council's representatives on the Oakland-Alameda County Joint Powers Authority ("JPA") Board to vote to approve the proposed naming rights licensing agreement ("Agreement") between RINGCENTRAL, INC., a Delaware corporation doing business as RingCentral ("RingCentral"), for the Oakland-Alameda County Coliseum ("Coliseum"). Rule 25 provides that the City Councilmembers who represent the City on the JPA Board "shall receive City Council authorization from a majority of the Council prior to casting vote(s) on any matter which could have a significant economic or policy impact on the City, or on any matter of particular controversy." A matter that could have an economic impact of \$1 million or more on the City is considered to have a significant economic impact.

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<sup>1</sup> Rule 25 provides that "City Councilmembers, the Mayor or City officials who represent the City as a delegate or alternate before any board, agency, authority, joint powers authority, commission, etc. shall receive City Council authorization from a majority of the Council prior to casting vote(s) on behalf of the City on any matter which could have a significant economic or policy impact on the City, or on any matter of particular controversy." A significant economic impact is \$1 million or more.

Council President Rebecca Kaplan and Members of the City Council  
May 21, 2019

**Re: Resolution Authorizing City Council Representatives on JPA Board to Vote to Approve the Proposed RingCentral Naming Rights Agreement for the Oakland-Alameda County Coliseum**

Page 2

The RingCentral Agreement could have a significant economic impact on the City as it potentially involves \$1 million of revenue to the City. The Agreement will take effect as soon as it is approved by the JPA and run through June 30, 2022. RingCentral will pay the JPA an annual licensing fee of \$1 million and will have the option to extend the Agreement for an additional 12 – 18 months. In exchange for the licensing fee, RingCentral will have the right to rename the Coliseum during the term of the Agreement along with the replacement of relevant signage, media collateral and marketing materials.

### **Background**

On Monday, May 13<sup>th</sup> the JPA Board scheduled consideration of the Agreement at its Friday, May 17, 2019 meeting, prior to the Council's next regular meeting on May 21<sup>st</sup>. The JPA canceled the May 17<sup>th</sup> meeting on Wednesday, May 15<sup>th</sup> and it is our understanding that the JPA will schedule a special meeting sometime during the week of May 19<sup>th</sup> as the parties desire to finalize the Agreement expeditiously.

Accordingly, there is a need for the Council to take action on May 21<sup>st</sup> to provide authorization to its representatives on the JPA Board before the JPA Board considers the Agreement.

The Coliseum's last naming rights deal was with Overstock.com. Executed on April 27, 2011<sup>2</sup>, this was a six-year, \$7.2 million naming rights deal with the online retailer. Overstock opted out of the final year of its naming rights deal with the JPA on April 2, 2016, and the Coliseum has been referred to as the Oakland-Alameda County Coliseum since that date.

RingCentral proposes to enter into a deal with the JPA on terms similar to those offered to Overstock, except that no broker's fee is payable under the agreement. The Agreement will commence as soon as the JPA approves it and will expire on June 30, 2022, unless RingCentral extends it. RingCentral has the option to extend the term by an additional 12-18 months. In exchange for an annual license fee of \$1 million (prorated for the extension period), RingCentral will have the right to rename and install signage on the exterior of the Coliseum, for the term of the Agreement, to the new name of "RingCentral Stadium" or such other name that RingCentral selects.

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<sup>2</sup> The Coliseum was renamed O.co Coliseum on June 6, 2011, after Overstock.com's marketing name was officially changed.

Council President Rebecca Kaplan and Members of the City Council

May 21, 2019

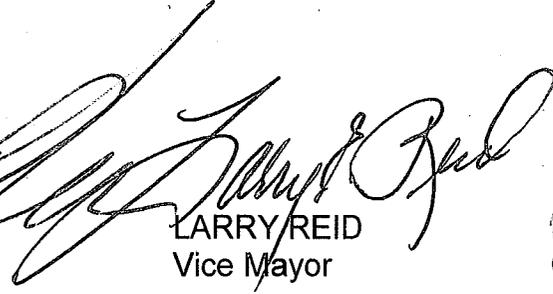
**Re: Resolution Authorizing City Council Representatives on JPA Board to Vote to Approve the Proposed RingCentral Naming Rights Agreement for the Oakland-Alameda County Coliseum**

Page 3

In addition, the Agreement provides that the JPA will agree to change all marketing collateral and uniforms to the new name for the Coliseum, and that RingCentral will have the right to obtain permits for and install new locational signs on the roads and freeway around the Coliseum. RingCentral will pay up to \$50,000 of the costs for these changes in each of these categories, with the JPA bearing the remainder of the costs. RingCentral also has the obligation to pay a minimum of \$300,000 to repaint the Coliseum, with the JPA bearing the first \$100,000 of the repainting costs.

The JPA Board's vote will constitute the final approval of the Agreement because the JPA Agreement does not require separate County and City approval of this type of Agreement.

Very truly yours,

  
REBECCA KAPLAN  
Council President  
LARRY REID  
Vice Mayor  
BARBARA J. PARKER  
City Attorney

19 MAY 16 PM 4:00

Approved as to Form and Legality

  
Office of the City Attorney

## OAKLAND CITY COUNCIL

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

Introduced by Council President Rebecca Kaplan,  
Vice Mayor Larry Reid and City Attorney Barbara J. Parker

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**RESOLUTION AUTHORIZING THE COUNCIL'S REPRESENTATIVES ON THE OAKLAND-ALAMEDA COUNTY COLISEUM JOINT POWERS AUTHORITY ("JPA") BOARD TO VOTE TO APPROVE THE NAMING RIGHTS LICENSING AGREEMENT BETWEEN THE JPA AND RINGCENTRAL, INC, FOR THE OAKLAND-ALAMEDA COUNTY COLISEUM WITH (1) A THREE YEAR TERM ENDING JUNE 30,2022, (2) AN ANNUAL LICENSING FEE OF ONE MILLION DOLLARS (\$1,000,000), (3) AN OPTION FOR RINGCENTRAL TO EXTEND THE AGREEMENT FOR AN ADDITIONAL 12 TO 18 MONTHS AND (4) RINGCENTRAL'S RIGHT TO RENAME THE COLISEUM RINGCENTRAL STADIUM (OR SUCH OTHER NAME THAT RINGCENTRAL SELECTS) FOR THE TERM ALONG WITH THE REPLACEMENT OF RELEVANT SIGNAGE, MEDIA COLLATERAL, AND MARKETING MATERIALS**

**WHEREAS**, at its May 17, 2019 open session meeting, the Oakland-Alameda County Joint Powers Authority ("JPA") Board was scheduled to consider a proposed Naming Rights Agreement ("Agreement") with RINGCENTRAL, INC., a Delaware corporation doing business as RingCentral ("RingCentral"), for the Oakland-Alameda County Coliseum ("Coliseum"); and

**WHEREAS**, on May 15, 2019, the JPA Board canceled the above-described meeting and we anticipate the Board will schedule a special meeting to approve the Agreement; and

**WHEREAS**, the Agreement, if approved, by the JPA Board will take effect immediately for a three year term ending on June 30, 2022 with RingCentral (1) paying an annual licensing fee of one million dollars (\$1,000,000), (2) having an option to extend the Agreement for an additional 12 to 18 months, and (3) having the right to rename the Coliseum RingCentral Stadium (or such other name that RingCentral selects) for the term, along with the replacement of relevant signage, media collateral, and marketing materials; and

**WHEREAS**, Rule 25 of the Council's Rules of Procedure Resolution No. 87044 C.M.S provides that the City Councilmembers who represent the City on the JPA Board "shall receive City Council authorization from a majority of the Council prior to casting vote(s) on any matter which could have a significant economic or policy impact on the City, or on any matter of particular controversy" and Rule 25 defines a significant economic impact as "licenses, leases, contracts or other transactions that could or will have an economic impact of \$1 million or higher on the City of Oakland"; and

**WHEREAS**, Rule 25 applies to the Agreement because it could have a significant economic impact on the City as it potentially would provide \$1 million in revenue to the City given the \$1 million licensing fee that RingCentral will pay each year of the three-year term and RingCentral's option to extend the term for an additional 12-18 months; and

**WHEREAS**, the Coliseum's last naming rights agreement was with Overstock.com ("Overstock"). and was executed on April 27, 2011 for a six-year, \$7.2 million licensing fee; and Overstock opted out of the final year of its naming rights deal with the JPA on April 2, 2016, and the Coliseum has been referred to as the Oakland-Alameda County Coliseum since that date; and

**WHEREAS**, RingCentral proposes to enter into a deal with the JPA on terms similar to those offered to Overstock, except that a broker's commission will not be paid in this deal; and the Agreement will commence as soon as the JPA approves it and will expire on June 30, 2022, unless RingCentral exercises its option to extend the term by an additional 12-18 months; and

**WHEREAS**, in exchange for an annual license fee of \$1 million (prorated for the extension period), RingCentral will have the right, among other things, to rename and install signage on the exterior of the Coliseum, for the term of the Agreement, the new name of "RingCentral Stadium" or such other name selected by RingCentral; and

**WHEREAS**, the Agreement also provides that the JPA will agree to change all marketing collateral and uniforms to the new name for the Coliseum, and that RingCentral will have the right to obtain permits for and install new locational signs on the roads and freeway around the Coliseum; and RingCentral will pay a specified maximum amount of the costs for these changes, with the JPA bearing the remainder of the costs; and

**WHEREAS**, RingCentral will have the obligation to pay a minimum of \$300,000 to repaint the Coliseum, with the JPA bearing the first \$100,000 of the repainting costs; and

**WHEREAS**, the Agreement must be approved by the JPA Board and does not require approval by the County of Alameda or the City of Oakland; and

**WHEREAS**, the need for the Council to give direction to its representatives on the JPA pursuant to Rule 25 of the Council's Rules of Procedure Resolution 87044 C.M.S., came to the attention of the Rules and Legislation Committee and the City Council after the 10-day agenda deadline for the Council's May 21, 2019 regular meeting, and in order to provide direction to the Council's representatives on the JPA Board before the Board meeting at which the Board will consider approving the proposed Agreement, it is advisable that the Council consider this Resolution at the Council's May 21, 2019 meeting; and time is of the essence for the JPA Board to consider the proposed Agreement given the revenue the Agreement will provide to the JPA, thereby potentially reducing the deficit that the County and the City currently evenly split each year; now, therefore, be it

**RESOLVED:** That the Council hereby authorizes its representatives on the JPA Board to vote in favor of approving the Agreement between the JPA and RingCentral granting RingCentral (1) the right to rename the Coliseum RingCentral Stadium (or such other name selected by RingCentral) along with the replacement of relevant signage, media collateral, and marketing materials for a three-year term ending June 30, 2022, and (2) the option to extend the Agreement for an additional 12 to 18 months, in exchange for RingCentral's payment of an annual licensing fee of one million dollars (\$1,000,000) and payment of certain initial transition costs.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO  
AND PRESIDENT KAPLAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LATONDA SIMMONS  
City Clerk and Clerk of the Council of  
the City of Oakland, California

2758064v3