

REVISED AT THE JULY 20, 2021 CITY COUNCIL MEETING

APPROVED AS TO FORM AND LEGALITY

  
CITY ATTORNEY'S OFFICE

## OAKLAND CITY COUNCIL

RESOLUTION NO. 88744 C.M.S.

INTRODUCED BY VICE MAYOR KAPLAN

---

**RESOLUTION APPROVING NON-BINDING TERMS OF A DEVELOPMENT AGREEMENT WITH THE ATHLETICS INVESTMENT GROUP LLC, D/B/A THE OAKLAND ATHLETICS, A CALIFORNIA LIMITED LIABILITY COMPANY, INCLUDING TERMS FOR, BUT NOT LIMITED TO, THE FINANCIAL PLAN, COMMUNITY BENEFITS, AND NON-RELOCATION, RELATED TO THE PROPOSED OAKLAND WATERFRONT BALLPARK DISTRICT PROJECT TO BE DEVELOPED ON THE PROPERTY KNOWN AS THE HOWARD TERMINAL AT THE PORT OF OAKLAND.**

**WHEREAS**, the Port of Oakland is a department of the City of Oakland (City) established in 1927 pursuant to an amendment to the City Charter, vesting management and operational authorities over the areas within the City known as the Port Area; and

**WHEREAS**, the Howard Terminal property, located at 1 Market Street and immediately adjacent to Jack London Square, is approximately 55 land acres (Howard Terminal), of which approximately 50 acres are located within the Port Area managed and operated by the Port; and

**WHEREAS**, the Athletics Investment Group LLC, d/b/a the Oakland Athletics, a California limited liability company (the A's), have proposed development of the Waterfront Ballpark District at the Howard Terminal, which would include a new, 35,000-person capacity ballpark (the Ballpark), together with up to 3,000 residential units, 1.5 million square feet of office space, and 270,000 square feet of mixed retail, cultural and civic uses, as well as a 3,500-seat performance theater, up to 400 hotel rooms, and approximately 18 acres of new, publicly-accessible open space (the Project); and

**WHEREAS**, at a projected cost of \$1 billion, the A's iconic new waterfront Ballpark at Howard Terminal would represent the largest private investment to date in any Major League Baseball park nationwide; and

**WHEREAS**, the City desires to keep the A's in Oakland, due to the many tangible and intangible benefits they provide to the City and region as a whole; and

**WHEREAS**, on May 13, 2019, pursuant to Resolution 19-32, the Board of Port Commissioners unanimously approved an Exclusive Negotiation Term Sheet with the A's, reflecting the parties' preliminary agreement on terms for future disposition of the Howard Terminal to the A's through various real estate agreements, including an Option Agreement and Port Building Permit; and

**WHEREAS**, pursuant to City Council Resolution No. 87998 CMS, dated January 21, 2020, the City and Port entered into that certain Memorandum of Understanding Between City and Port Regarding Howard Terminal Oakland A's Ballpark Project (MOU), setting forth principles of a -shared regulatory framework between the Port and the City for the Project; and

**WHEREAS**, the Project will require multiple discretionary approvals at the State and local levels, including but not limited to the City's approval of a General Plan Amendment, Rezoning, Tentative Tract Map, Preliminary and Final Development Plans and a Development Agreement; and

**WHEREAS**, once the local approvals are complete, the Project requires, at a minimum, approval from the State Lands Commission of a trust exchange agreement and trust-consistency determination with regard to the proposed uses on trust lands, issuance of a Major Permit from the Bay Conservation and Development Commission, and approval from the Department of Toxic Substances Control (DTSC); and

**WHEREAS**, in February 2020, the A's submitted an application for a Development Agreement for the proposed Project, and shortly thereafter, in April 2020, the City and A's began negotiating a Development Agreement term sheet; and

**WHEREAS**, on February 26, 2021, the City issued a Notice of Availability and released the Draft Environmental Impact Report (EIR) for the Project, pursuant to the California Environmental Quality Act and Assembly Bill 734; and

**WHEREAS**, much of Oakland's community, including parts of West Oakland and Chinatown, have been harmed by past infrastructure projects that demolished and undermined key community assets, and any new project must improve, and not harm, conditions for long-time disparately-impacted communities; and

**WHEREAS**, the City believes it is important that projects on public lands include plans and strategies to benefit the local community, including local hire, jobs standards, affordable housing, anti-displacement support, and pedestrian safety, among others; and

**WHEREAS**, the Community and Economic Development (CED) Committee of the City Council received, on July 7, 2021 (CED Meeting) an Informational Report and conducted a study session focused on certain key terms of any future Development Agreement, including an infrastructure financing district, non-relocation, affordable housing, and other community benefits; and

**WHEREAS**, the Alameda County Board of Supervisors considered the City's request to adopt a motion declaring its intent to contribute Alameda County's share of incremental property

taxes that will be generated from the Project into any future Enhanced Infrastructure Financing District (EIFD) to be formed over the Project site, for the purpose of financing affordable housing, parks, and other infrastructure of community wide significance; and

WHEREAS, at the CED Meeting, Councilmembers provided clear feedback on various aspects of the Project and Development Agreement terms, including the following:

- ~~A.~~ A. Support for a single ~~Enhanced Infrastructure Financing District (EIFD)~~ over the Property, including the pursuit of participation from both the City and Alameda County;
- ~~B.~~ B. Request to continue to pursue a range of outside/additional funding resources, including regional, State, and Federal transportation/infrastructure funding, including seeking ~~the~~ Alameda County's participation in the onsite EIFD;
- ~~C.~~ C. Request for additional information regarding the Port's jobs policies;
- ~~D.~~ D. Confirmation that tenant protection measures could be supported through the proposed community fund;
- ~~E.~~ E. Confirmation of the Port's Seaport Compatibility Measures prior to any final Project approvals by Council;
- ~~F.~~ F. Commitment to creating an informal group of City, Port and County A's, community members and local experts to track implementation of DTSC toxics remediation requirements; and

WHEREAS, the Howard Terminal Community Benefits Steering Committee (Steering Committee), consisting of representatives of the Oakland A's, City, Port of Oakland, and stakeholders from West Oakland, Old Oakland, Jack London District and Chinatown, was created to identify community needs related to the Project and prioritize solutions to address such needs; and

WHEREAS, the Steering Committee agreed to key principles for the Howard Terminal Community Benefits Agreement, including Operating Principle #5 "The CBA will include a permanent mechanism for ongoing community monitoring and enforcement to ensure that the CBA meets its objectives and has sufficient transparency and accountability"; and

WHEREAS, the Steering Committee developed recommendations to address community needs, and those recommendations were compiled into a "Community Benefits Recommendations Summary Report"; and

WHEREAS, at the CED Meeting, members of the Chinatown community expressed concerns about the Project and Councilmembers requested Staff to work collaboratively with Chinatown representatives to identify and recommend measures for future Council consideration to address community concerns regarding the compatibility of the Ballpark use with the Chinatown commercial and cultural area, as follows:

- ~~A:~~ A. Minimizing A. Identifying and minimizing the potential adverse safety, economic, and environmental impacts of traffic and

parking congestion on Chinatown's people, business and cultural institutions, which shall include, but is not limited to, defining an appropriate effective role for Chinatown representatives in implementing the Project's Transportation Management Plan;

- B. Seeking ~~B.~~ Securing additional ~~under freeway~~ under freeway parking and prioritizing the use of Chinatown parking garages for cultural events when they occur at the same time as Ballpark events;
- C. Working with the A's to promote patronage of Chinatown businesses by Ballpark event attendees as well as creating on-site business opportunities for Chinatown and promote other local businesses and promoting marketing for Chinatown history and culture; and  
Establishing a

~~D. WHEREAS, members of the West Oakland community oversight body to ensure expressed their desire that the needs of the West Oakland community benefits included in be incorporated into any future Development Agreement are met efforts, including with respect to patronage of West Oakland businesses, traffic congestion, air quality and community benefits are legally enforceable public health issues; and~~

~~WHEREAS: in order to provide clarity to all parties, and to ensure effectiveness of the next steps for the Project, the City Council seeks to provide general direction to the City Administrator regarding the terms of any future Development Agreement with the A's for the Project; and now, therefore, be it~~

~~WHEREAS, the City Council expects the City Administrator to: (a) continue discussions and negotiations with the A's regarding the allocation of costs for necessary infrastructure in and adjacent to the Project site, and (b) make every reasonable effort to protect the City's General Fund as a part of any final Development Agreement; and now, therefore, be it~~

~~RESOLVED: that That the Council hereby adopts the facts and findings set forth in the preceding "whereas" clauses and incorporates them into this Resolution; and be it~~

~~FURTHER RESOLVED: that That the City Council approves the non-binding terms set forth in the attached Exhibit A and authorizes the City Administrator to negotiate with the A's a Development Agreement based upon such non-binding terms; and be it~~

~~FURTHER RESOLVED: that FURTHER RESOLVED, That the City Administrator, in coordination with the City Attorney, shall analyze how a community oversight body, including members of engaged coalitions and community organizations, can be established to ensure that community benefits included in any future Development Agreement are implemented, obligations regarding community benefits are legally enforceable; and be it~~

~~FURTHER RESOLVED, That any future community fund that may be established as a part of a future Development Agreement shall include a plan for anti-displacement tenant services (e.g. legal services, tenant counseling, emergency rental assistance) as a part of the Project's affordable housing and anti-displacement strategy; and be it~~

~~FURTHER RESOLVED, That the Council directs the City Administrator to: (a) pursue,~~

with support from the A's, the Project-related items, including the use of Federal, State, Regional, and other funding sources for the Project's offsite transportation infrastructure; described in the memorandum published in the packet for this agenda item titled *Howard Terminal Transportation Solutions*; and (b) advise the Council of the details and outcomes of such efforts no later than when returning with a proposed Development Agreement for the Council's consideration; and be it

**FURTHER RESOLVED:** That the City Administrator shall return to Council for consideration and approval of any future Development Agreement regarding the Project, which Development Agreement shall be consistent with the terms set forth in Exhibit A; and be it, with the modifications that the (a) total affordable housing percentage shall be 35% (consisting of 15% onsite and 20% offsite); (b) A's shall not be responsible for the offsite transportation infrastructure; and (c) term of the non-relocation period shall begin on the date on which the A's play the first home game in the new Ballpark; and be it

**FURTHER RESOLVED:** ~~that~~ That to the extent that any additional work is needed to review and update the "Community Benefits Recommendations Summary Report" so as to equitably serve all four of the neighborhoods impacted by the Project, the City Administrator shall retain a consultant and coordinate with the Steering Committee to complete such additional work; and be it

**FURTHER RESOLVED:** That Alameda County is analyzing the City's request that the County participate in any future IPD to be formed over the Project site, and further that Council's approval of this non-binding Term Sheet assumes such participation; and be it

**FURTHER RESOLVED:** That this action is for approval of a non-binding term sheet only, - does - not result in any - discretionary approval - or - grant vested - development - rights, - and does - not - commit - the City to any - definite - course of action; accordingly, this action does not constitute - not - a - "project" - under - CEQA - Guidelines 15378 - and is only a preliminary agreement of terms - under CEQA Guidelines 15004(b). -

IN COUNCIL, OAKLAND, CALIFORNIA,

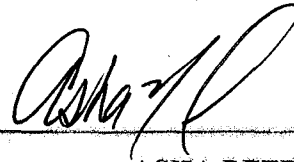
JUL 20 2021

PASSED BY THE FOLLOWING VOTE:

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

NOES -   
ABSENT -   
ABSTENTION - 

ATTEST:



ASHA REED

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