AGENDA REPORT

TO: FROM: Councilmember Rebecca Kaplan.

Honorable At-Large Office.

Mayor and members of the City Council and the Public

SUBJECT: DATE: November 25, 2024

Amending Ordinances NO.13782 and NO.13793

RECOMMENDATION

Councilmember Rebecca Kaplan recommends that the City Council adopt the following:

AN ORDINANCE AMENDING ORDINANCE NO. 13782 C.M.S. AND ORDINANCE NO. 13793 TO REPLACE PROLOGIS, L.P. OR ITS AFFILIATE, WITH OAKLAND PRO SOCCER LLC ("OPS"), THE OWNER OF THE OAKLAND ROOTS AND SOUL SOCCER TEAMS, OR ITS AFFILIATE OR AN ENTITY IN WHICH OPS EITHER HAS AN OWNERSHIP INTEREST, OR WITH WHICH OPS WILL BE A TENANT, AS THE BUYER OF PROPERTY OWNED BY THE CITY OF OAKLAND AND THE COUNTY OF ALAMEDA, EACH WITH AN UNDIVIDED 50 PERCENT INTEREST, LOCATED AT 1150 AND 1220 HARBOR BAY PARKWAY, ALAMEDA, CALIFORNIA,; AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

Executive Summary

The City of Oakland (City) and Alameda County (County) each own 50% undivided interests in an approximately 16.84-acre real property located at 1150 and 1220 Harbor Bay Parkway in Alameda, California (Property), which was formerly the Oakland Raider's headquarters and training facility.

Since December 2021, Oakland Pro Soccer LLC (OPS) has been utilizing the Property as the training facility for the Oakland Roots men's professional soccer team and Oakland Soul women's preprofessional soccer teams. Ongoing use of the Property is critical to the long-term success of these Oakland franchises.

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The City and County have each declared the Property to be "surplus land" pursuant to the California Surplus Land Act, setting forth their intention to sell the Property. To that end, on February 20, 2024, the City Council authorized a sale of the City's 50% interest (City's Interest) to ProLogis, L.P. (ProLogis) subject to a lease of the Property to OPS, pursuant to Ordinance No. 13782 C.M.S¹. The total \$24 million price is supported by an appraisal commissioned by the City as the fair market value of the Property.

To better facilitate a sale of the Property, on May 7, 2024, the City Council authorized the City to purchase the County's 50% interest (County's Interest) for \$11,850,000 and sell it together with the City's Interest to ProLogis, pursuant to Ordinance No. 13793 C.M.S.²

The proposed ordinance would amend Ordinances 13782 and 13793 to replace ProLogis as the buyer of the Property with i) OPS, or ii) its affiliate or iii) an entity in which OPS either has an ownership interest or with which OPS will be a tenant of the Property. The total price of \$24 million would remain unchanged.

BACKGROUND/LEGISLATIVE HISTORY

On August 6, 2024, the City entered into purchase and sale agreements with each of the County and ProLogis (City-County PSA and City-ProLogis PSA, respectively).

Closing on the acquisition of the County's interest and immediate sale of the City Interest and County Interest to ProLogis was scheduled to occur on November 18, 2024 but ProLogis elected not to proceed.

OPS has been in negotiations for another partner to purchase the Property on similar terms. This ordinance amendment allows for the replacement of the prior partner with a new partner to allow the continued use and sale of the property as intended.

1

https://oakland.legistar.com/LegislationDetail.aspx?ID=6495774&G UID=25A6046A-E3FF-4831-92A9-9702A627AD84&Options=ID|Text|&Search=13782

https://oakland.legistar.com/LegislationDetail.aspx?ID=6638775&GUID=FE27B514-107C-4C00-A35A-F4754979DFDA&Options=ID|Text|&Search=13793

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FISCAL IMPACT

OPS will be a tenant of the Property. The total price of \$24 million would remain unchanged. The city commissioned an appraisal to support this price as the fair market value of the Property.

COORDINATION

This report was prepared in coordination with the City Administrator's Office and the Office of the City Attorney.

ACTION REQUESTED OF THE CITY COUNCIL

AN ORDINANCE AMENDING ORDINANCE NO. 13782 C.M.S. AND ORDINANCE NO. 13793 TO REPLACE PROLOGIS, L.P. OR ITS AFFILIATE, WITH OAKLAND PRO SOCCER LLC ("OPS"), THE OWNER OF THE OAKLAND ROOTS AND SOUL SOCCER TEAMS, OR ITS AFFILIATE OR AN ENTITY IN WHICH OPS EITHER HAS AN OWNERSHIP INTEREST, OR WITH WHICH OPS WILL BE A TENANT, AS THE BUYER OF PROPERTY OWNED BY THE CITY OF OAKLAND AND THE COUNTY OF ALAMEDA, EACH WITH AN UNDIVIDED 50 PERCENT INTEREST, LOCATED AT 1150 AND 1220 HARBOR BAY PARKWAY, ALAMEDA, CALIFORNIA,; AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

For questions regarding this report, please contact Michael Alvarenga, Legislative Analyst, at malvarenga@oaklandca.gov

Respectfully submitted,

Councilmember Kaplan At-Large District

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Reviewed by: Kimberly Jones, Chief of Staff Office of Councilmember Rebecca Kaplan