CITY ATTORNEY'S OFFICE

## **OAKLAND CITY COUNCIL**

RESOLUTION NO. C.M.S.

## INTRODUCED BY COUNCILMEMBER NOEL GALLO

RESOLUTION ON THE CITY COUNCIL'S OWN MOTION SUBMITTING TO THE VOTERS AT THE NOVEMBER 8, 2022, GENERAL MUNICIPAL ELECTION AN ADVISORY MEASURE ON SPENDING PUBLIC FUNDS FOR INFRASTRUCTURE AND OTHER COSTS RELATED TO THE DEVELOPMENT OF THE OAKLAND ATHLETICS' PROPOSED BASEBALL STADIUM AND REAL ESTATE PROJECT AT THE HOWARD TERMINAL

**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, that 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,** on July 20, 2021, pursuant to City Council Resolution No. 88744 C.M.S., the City Council approved a non-binding set of terms and authorized the City Administrator to negotiate with the A's a Development Agreement regarding the Project based upon such non-binding terms; and

**WHEREAS,** to actualize the Project, a substantial investment of private and public funds may be needed for onsite and offsite public infrastructure such as roads, transportation improvements, sidewalks, streetlights, parks and community amenities, affordable housing, and utilities ("Public Infrastructure"); and

**WHEREAS,** agreements between the City, the Port of Oakland, the developer and, potentially, other governmental entities will specify which party is responsible for the various elements of Public Infrastructure, and how they will be constructed and paid for; and

**WHEREAS,** no public funds will be paid to construct the ballpark itself, and the City has not committed General Fund dollars to the Project, but because some of the Public Infrastructure will benefit the community, whether the Ballpark is built or not, the City has applied for and received commitments for over \$300 million in state funds, and is actively seeking other state and federal grants and project-generated revenues to help fund the Public Infrastructure; and

**WHEREAS,** new funding mechanisms may include the creation of an Enhanced Infrastructure Financing District established under California Government Code section 53398.50 et seq. ("EIFD") and one or more Community Facilities Districts ("CFD") for infrastructure or services; and

**WHEREAS,** an EIFD may allow the City and one or more other public agencies to dedicate portions of increased future property tax revenue from the Project to finance the costs of Public Infrastructure; and

**WHEREAS,** a CFD would use a special tax only on the properties within the Project to fund other aspects of the Public Infrastructure and its ongoing maintenance and operation; and

**WHEREAS,** on March 1, 2022, the City Council passed Ordinance No. 13681 C.M.S. ("Ordinance"), which authorized the City Administrator to take all actions necessary for the City to approve, permit, and administer project approvals for the Project, but the Ordinance did not authorize nor approve any potential funding mechanisms for portions of the Public Infrastructure; and

WHEREAS, on April 28, 2022, the Rules and Legislation Committee adopted a motion, File 22-0241, to "Request To Schedule A Meeting With The City Council To Receive An Informational Report That Provides A Third Party Cost Benefit Analysis Of Financial Issues Related To The Oakland Waterfront Ballpark District At The Howard Terminal Proposed By The Oakland Athletics (Project), Which Analysis Could Include But Is Not Limited To:

- (I) Revenue And Cost Projections For The Proposed Howard Terminal Enhanced Infrastructure Financing District To Support On-Site Infrastructure;
- (II) Specific Sources Of Federal And State Grant Funding For The Projected Costs Of Off-Site Infrastructure Improvements;
- (III) Funding Sources For Maintenance Costs For Infrastructure Improvements;
- (IV) Any Anticipated Increased Costs For The City And Proposed Funding Sources To Cover Such Costs;
- (V) Any Potential Sale Of City Bonds Including Projected Available Revenue Sources To Cover Interest And Capital Payments For Such Bonds;
- (VI) Private Funding Sources The Project Sponsor Is Proposing To Contribute To The Proposed Project;
- (VII) Funding Sources Needed To Achieve 35% Affordable Housing For The Proposed Project; And
- (VIII) Financing Structures Of Other Comparable Sports Stadium Projects, on the September 6, 2022 City Council Meeting Agenda on Non-Consent;" and

**WHEREAS,** the City Council has a fundamental responsibility to be an effective steward of public funds, financing, revenue, expenditures and/or other contributions provided by any federal, state, municipal or other government entity, agency, or district or any division or subdivision thereof whether in the form of grants, bonds, loans, tax revenue, fees, or other government levies; and

**WHEREAS,** the City's Fiscal Year ("FY") 2021-23 Adopted Capital Improvement Program identifies 296 unfunded or partially funded capital projects across all of the City's neighborhoods for a total unfunded cost of \$1,466,114,049, i.e., nearly \$1.5 Billion; and

**WHEREAS,** the Bipartisan Infrastructure Law of 2021 established twenty five competitive infrastructure funding opportunities for local governments to reinvest and rebuild their communities, and the City would need to allocate resources to prepare grant applications for the 296 unfunded or partially funded infrastructure projects identified in the Capital Improvement Program; and

**WHEREAS,** Oakland has a long and proud history of providing its residents with the right to have their voices heard directly on major public funding and tax issues through ballot measures; and

**WHEREAS,** thousands of Oakland voters have signed petitions that have been delivered to the City Council demanding that the City Council place an advisory question on the November 2022 ballot asking the voters whether public funds should be spent on a privately owned baseball stadium and real estate project; and

**WHEREAS,** California Elections Code section 9603 provides that counties, cities, and districts may submit proposals to an advisory election to allow voters to voice their opinion on substantive issues or to indicate to the legislative body approval or disapproval of the ballot proposal; and

**WHEREAS,** Oakland Municipal Code section 3.08.190 provides that at any municipal election, the City Council may submit an advisory measure to obtain information for or advice to the City Council, and that the majority vote on any such measure shall be advisory only, and not binding on the City Council; now, therefore, be it

**RESOLVED:** That the Oakland City Council finds and determines the forgoing recitals are true and correct and hereby adopts and incorporates them into this Resolution; and be it

**FURTHER RESOLVED:** That the City Council hereby submits to the voters at the November 8, 2022 election an advisory measure that would advise the City Council on the voters' opinion regarding the approval of spending public funds to support infrastructure or any other costs related to the development of the A's proposed stadium and real estate project at Howard Terminal; and be it

**FURTHER RESOLVED:** That the majority vote on the measure shall be advisory only, and not binding on the City Council, pursuant to California Elections Code section 9603 and Oakland Municipal Code section 3.08.190; and be it

**FURTHER RESOLVED:** That each ballot used at said general municipal election shall have printed therein, in addition to any other matter required by law, the following:

Advisory Vote Only	YES
Measure Shall the Oakland City Council approve	
spending public funds, which may include but not be limited to grants, bonds, loans, existing tax revenue or	
future project-generated revenue, to pay costs related	
to development of the Oakland Athletics' proposed baseball stadium and real estate project at Howard	NO
Terminal, including a portion or all of the onsite and	
offsite public infrastructure (e.g., sidewalks, streets, utilities for electricity, gas, water), public parks,	
affordable housing, or other project costs?	
[BALLOT QUESTION SUBJECT TO CITY	
ATTORNEY APPROVAL AND MAY BE EDITED	
AS NECESSARY TO ENSURE COMPLIANCE	
WITH CALIFORNIA ELECTIONS CODE]	

; and be it

**FURTHER RESOLVED:** That the City Council hereby authorizes and directs the Clerk of the City of Oakland ("City Clerk"), at least 88 days prior to the November 8, 2022, general municipal election, to file certified copies of this resolution with the Alameda County Board of Supervisors and the Registrar of Voters; and be it

**FURTHER RESOLVED:** That in accordance with the Elections Code and Chapter 3.08 of the Oakland Municipal Code, the City Clerk shall fix and determine a date for submission of arguments for or against said advisory measure and rebuttals, and said date shall be posted in accordance with legal requirements the Office of the City Clerk; and be it

**FURTHER RESOLVED:** That the City Council does hereby request that the Board of Supervisors of Alameda County include on the ballots and sample ballots recitals and measure language to be voted on by the voters of the qualified electors of the City of Oakland; and be it

**FURTHER RESOLVED:** That the City Council does hereby request that the Board of Supervisors of Alameda County permit the Registrar of Voters to perform necessary services in connection with said election; and be it

**FURTHER RESOLVED:** That in accordance with the Elections Code and Chapter 3.08 of the Oakland Municipal Code, the City Clerk shall provide for notice and publication of the advisory measure in the manner provided by law; and be it

<b>FURTHER RESOLVED:</b> That the City Clerk and City Administrator are hereby authorized and directed to take any and all actions necessary under law to prepare for and submit this item for the November 8, 2022 election.
IN COUNCIL, OAKLAND, CALIFORNIA,
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

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