APPROVED AS TO FORM AND LEGALITY

INTRODUCED BY COUNCILMEMBER REBECCA KAPLAN

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CITY ATTORNEY'S OFFICE

## **OAKLAND CITY COUNCIL**

## ORDINANCE NO.

### C.M.S.

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE A PURCHASE AND SALE AGREEMENT WITH THE COUNTY OF ALAMEDA TO ACQUIRE THE COUNTY'S UNDIVIDED 50 PERCENT INTEREST FOR ELEVEN MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$11,850,000), TO SELL IT, TOGETHER WITH THE CITY'S UNDIVIDED 50 PERCENT INTEREST IN PROPERTY, FORMERLY KNOWN AS THE RAIDERS TRAINING FACILITY, LOCATED AT 1150 AND 1220 HARBOR BAY PARKWAY, ALAMEDA, CALIFORNIA, TO PROLOGIS, L.P. OR ITS AFFILIATE, FOR **TWENTY-FOUR** MILLION DOLLARS (\$24,000,000), CONDITIONED ON A LEASE TO OAKLAND PRO SOCCER LLC OR ITS AFFILIATE, OWNER OF THE OAKLAND ROOTS AND SOUL SOCCER TEAMS; 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 16.84 acres located at 1150 and 1220 Harbor Bay Parkway, Alameda, California, with buildings totaling approximately 118,847 square feet (collectively, the "Property"); and

**WHEREAS**, in accordance with Ordinance No. 13631 C.M.S. adopted on December 15, 2020, the City and the County entered into a Tenancy in Common Agreement dated as of December 15, 2020 (as amended, the "TIC Agreement"); and

**WHEREAS**, the TIC Agreement appointed the County as the lead agency to manage the Property and the process for a coordinated sale of the County's Interest and the City's Interest in the Property; and

**WHEREAS,** the holding cost of the City's Interest not only includes the City's share of management, maintenance, utility, insurance and other holding costs, but also property taxes because the Property is located outside the City's jurisdiction; and

WHEREAS, on January 12, 2021, the Board of Supervisors of the County adopted Resolution No. R2021-28, which declared the County's undivided fifty percent (50%) interest in the Property as "surplus land" pursuant to Government Code Section 54221(b)(1) of the California

Surplus Land Act (Government Code Section 54220 et seq. ("SLA")); and

WHEREAS, on February 2, 2021, the City Council adopted Resolution No. 88507 C.M.S., which declared the City's Property Interest as "surplus land" pursuant to the SLA and the City and County completed the California Surplus Land Act notice process; and

WHEREAS, on December 17, 2021, the City and County entered into a Field and Sports Training Facility License Agreement (as amended) with Oakland Pro Soccer LLC, a California limited liability company ("OPS"), for use of the training facility portion of the Property as a practice facility for its soccer teams, the Oakland Roots men's professional soccer team and the Oakland Soul women's pre-professional soccer team; and

**WHEREAS,** on October 18, 2022, the Alameda County Board of Supervisors passed a Resolution approving the Property for public sale and seeing minimum terms and conditions; and

**WHEREAS,** a public sale ("Auction") was timely noticed however no bids were received by the posted deadline and the Auction was canceled; and

**WHEREAS**, subsequent to the canceled Auction, the City and County received written purchase offers from three parties for the Property, as described in the Agenda Report for this item; and

**WHEREAS,** City staff was recently informed that Fédération Internationale de Football Association ("FIFA"), the international governing body for soccer, recently evaluated the Property and concluded that it is a strong candidate to host a participating national team during the 2026 World Cup; and

WHEREAS, the TIC Agreement provides that if the joint disposal process did not result in a sale to a third party, the City and the County each have the right to sell its undivided interest in the Property;

**WHEREAS,** pursuant to Ordinance No. 13782 C.M.S. adopted on February 20, 2024, the City Council authorized the sale of the City's Interest to Prologis, L/P., a Delaware limited partnership ("Prologis"), as buyer, which together with the County's Interest would be sold for a fair market value of Twenty-Four Million Dollars (\$24,000,000); and

**WHEREAS**, the City's acquisition of the County's Interest would facilitate an orderly and coherent process of general disposition of the Property in its entirety; 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 Eleven Million Eight Hundred Fifty Thousand Dollars (\$11,850,000), conditioned on the simultaneous sale to Prologis of not only the City's Interest, but also the County's Interest, which

would provide the funds for the City's acquisition of the County's Interest from the Twenty-Four Million Dollars (\$24,000,000) sale proceeds. Consistent with Ordinance No. 13782 C.M.S., the sale would be conditioned on a lease with OPS or its affiliate.

**SECTION 2.** The City Administrator is further authorized (a) to negotiate and execute the purchase agreement with Prologis as authorized by Ordinance No. 13782 C.M.S., but to also include in the purchase and sale agreement the simultaneous sale of the County's Interest acquired by the City to Prologis or its affiliate, (b) negotiate and execute the deeds acquiring the County's Interest as well as the deed conveying the Property, and (c) 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 (a) accept and deposit land sales proceeds in the amount of the net proceeds into the General Purpose Fund (1010), Real Estate Organization (85231), OACCA LRB Coliseum Complex Project (1005208), Coliseum Program (SC12); with Eleven Million Eight Hundred Fifty Thousand Dollars (\$11,850,000) of the net proceeds going into Due to County Government Liability Account (21317), and the remainder going into an Account To Be Determined (TBD), and (b) pay for the acquisition of the County's interest with the proceeds in General Purpose Fund (1010), Real Estate Organization (85231), OACCA LRB Coliseum Complex Project (1005208), Coliseum Program (SC12), Due to County Government Liability Account (21317).

**SECTION 4.** The purchase and sale agreements and any other documents necessary for the acquisition of the County's Interest and the sale of the Property 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 EXECUTE A PURCHASE AND SALE AGREEMENT WITH THE **COUNTY OF ALAMEDA TO ACOUIRE THE COUNTY'S UNDIVIDED 50** PERCENT INTEREST FOR ELEVEN MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$11,850,000), TO SELL IT, TOGETHER WITH THE CITY'S UNDIVIDED 50 PERCENT INTEREST IN PROPERTY, FORMERLY KNOWN AS THE RAIDERS TRAINING FACILITY, LOCATED AT 1150 AND 1220 HARBOR BAY PARKWAY, ALAMEDA, CALIFORNIA, TO PROLOGIS, L.P. OR ITS AFFILIATE, FOR **TWENTY-FOUR MILLION DOLLARS** (\$24,000,000), CONDITIONED ON A LEASE TO OAKLAND PRO SOCCER LLC OR ITS AFFILIATE, OWNER OF THE OAKLAND ROOTS AND SOUL SOCCER **TEAMS; AND ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY** ACT FINDINGS

An Ordinance authorizing the negotiation and execution of a Purchase and Sale Agreement with the County of Alameda ("County") to acquire its 50 percent undivided interest in the Property for Eleven Million Eight Hundred Fifty Thousand Dollars (\$11,850,000), to sell it, together with the City's 50 percent undivided interest in property, formerly known as the Oakland Raiders Training Facility, located at 1150 and 1220 Harbor Bay Parkway, Alameda, California, to Prologis, L.P. or its affiliate, for Twenty-Four Million Dollars (\$24,000,000), conditioned on a lease to Oakland Pro Soccer LLC or its affiliate, owner of the Oakland Roots and Soul soccer teams; and adopting California Environmental Quality Act findings.