

AGENDA REPORT

TO:
Honorable
Mayor and
members of
the City
Council and
the Public

FROM: Councilmember Rebecca
Kaplan, District 2

Councilmember Ken Houston
District 7

SUBJECT: AMENDMENT TO
ORDINANCE NO. 13801 C.M.S. **DATE:** 04/14/2025

RECOMMENDATION

Councilmembers Rebecca Kaplan and Ken Houston recommend that the City Council adopt:

AN ORDINANCE:

(1) AMENDING ORDINANCE NO. 13801 C.M.S. AUTHORIZING THE SALE OF THE CITY OF OAKLAND’S UNDIVIDED 50 PERCENT INTEREST IN PROPERTY LOCATED AT 7000 COLISEUM WAY, OAKLAND, CALIFORNIA, TO REMOVE THE RESTRICTION REQUIRING PAYMENT OF A PORTION OF THE PURCHASE PRICE PRIOR TO JULY 1, 2025 TO FACILITATE SIMULTANEOUS CLOSING WITH THE COUNTY OF ALAMEDA’S SALE OF ITS UNDIVIDED 50 PERCENT INTEREST IN THE PROPERTY AFTER THE BOND DEBT RELATED TO THE PROPERTY IS PAID IN FULL;

(2) DECLARING REAL PROPERTY LOCATED AT 695 HEGENBERGER ROAD “SURPLUS PROPERTY” PURSUANT TO THE SURPLUS LAND ACT (GOVERNMENT CODE SECTION 54220-54233); AND

(3) ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

EXECUTIVE SUMMARY

The City of Oakland (City) and County of Alameda (County) each own a fifty percent (50%) undivided interest in the Oakland-Alameda County Coliseum Complex located at 7000 Coliseum Way, which includes the arena, stadium, parking areas and related structures, roadways, sidewalks, loading areas and other improvements (Coliseum Complex).

On December 23, 2019, Alameda County entered into a disposition and sale agreement with the Coliseum Way Partners, LLC, (Coliseum Way Partners), which is an entity affiliated with the Oakland Athletics (A's), for the sale of the County's half-interest. While Coliseum Way Partners has made all payments to the County, that sale has not yet closed and will not until after all outstanding bond debt is paid off, which is scheduled to be completed in the spring of 2026.

On June 26, 2024 the City Council adopted [Ordinance No. 13801 C.M.S.](#) (Original Ordinance), which authorized the City Administrator to negotiate and execute a purchase and sale agreement with the AASEG Land LLC(AASEG), or its affiliate, for the sale of the City's interest in the Coliseum Complex for \$105 million, with requirements for 25% affordable housing and for community benefits.

The City subsequently entered into a Real Property Sale Agreement on August 31, 2024 with Oakland Acquisition Company, LLC (OAC), an affiliate of AASEG (City-OAC Real Property Sale Agreement), and has paid a non-refundable deposit.

Because the Coliseum property currently has split ownership, with two separate parties each owning a 50% share of the whole site, working on the coordination of the two halves has been a vital next step in the process for the future of the site. OAC has been negotiating with the County of Alameda and Coliseum Way Partners to facilitate a simultaneous purchase of both the City's Interest and the County's Interest, as coordinated ownership enables more effective operation, management and redevelopment of the Coliseum Complex. As a result, further communications have taken place with the other parties, regarding the other 50% share ownership transfer schedule. And therefore, this proposed ordinance amendment, provides for aligning the timelines so the two halves of the coliseum can be coordinated together.

The proposed ordinance would make these modifications to conform the sale of the City's interest to OAC with the County's sale timeline, which is now expected to close shortly after the payoff of the final Coliseum Complex bond debt, which will take place in the spring of 2026.

The result would be a simultaneous closing anticipated to occur no later than June 30, 2026, thereby unifying the property for the first time in generations and unlocking landmark redevelopment of the Coliseum Complex.

As a separate matter, the proposed ordinance would also declare as "surplus land" a 29,104 square foot City-owned property located at 695 Hegenberger Road. This triangular shaped parcel has historically been managed as part of the Coliseum Complex and is only accessed through the Coliseum Complex. It would no longer be necessary for the City's use once the Coliseum Complex is sold. City staff would then follow the standard provisions of the Surplus Land Act governing the disposition of surplus land.

ANALYSIS AND BACKGROUND

The proposed ordinance would authorize an amendment to the City-OAC Real Property Sale Agreement to provide that the period for completing payments and closing shall be after the bond debt is paid in full, and by June 30, 2026.

Aligning the closing date is beneficial and furthers adopted City Council actions that have taken place already, to balance the City's budget without any contingent revenues. This action is in furtherance of the direction given by the City Council, to treat the coliseum development project as a vital economic development effort to proceed independent of the fiscal year budgeting. Specifically, in December 2024 and again in March of 2025, the City Council further amended the adopted Fiscal Year 2024-2025 budget to acknowledge and incorporate administrative actions, recognize new revenues, and take other balancing actions, and due to these amendments, further revenue from the Coliseum sale is no longer a contingency in the Fiscal Year 2024-2025 budget, but rather, is a separate effort to proceed independent of the budget.

Selling the City's interest in the Coliseum will allow the Coliseum property to be developed, which will enhance local jobs, ensure activation and positive use including with sports and entertainment, expand available and affordable housing, increase long-term ongoing revenue to fund vital public needs, and reduce blight and build business opportunity. Failure to activate the site in the near term could create a site of abandonment and potential blight.

ACTION REQUESTED OF THE CITY COUNCIL

Enhance jobs and economic opportunity, and improve coordination with other vital stakeholders, by aligning the timeline for the City of Oakland's coliseum property sale with the completion of bond payoff and the other half-interest in the property. By adopting an Ordinance:

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

Respectfully submitted,

Councilmember Kaplan
District 2

Councilmember Houston
District 7

Prepared by:
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Office of Councilmember Rebecca Kaplan