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AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Fred Blackwell

SUBJECT: Coliseum City ENA

DATE: December 5, 2013

City Administrator Approval	<i>Deanna Santana</i>	Date	12-5-13
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COUNCIL DISTRICT: # 7

RECOMMENDATION

Staff recommends that the City Council accept this supplemental report, and adopt the proposed resolution extending and revising the Exclusive Negotiating Agreement (ENA) for the Coliseum City project.

ANALYSIS

At the December 3, 2013 meeting of the Community and Economic Development (CED) Committee, staff committed to providing additional information regarding the anticipated developer costs associated with the predevelopment deliverables under the ENA. The latest set of anticipated developer costs for the remainder of the Negotiating Period, as discussed at the CED Committee, is included as **Attachment A** to this supplemental report.

The next set of Coliseum City project milestones, including Phase I of the Market Data Analysis, are scheduled to be delivered on March 21, 2014, 150 days from the date of the Third Amendment. Staff will return to the CED Committee in April 2014 with an informational report to provide the results of this additional analysis, and the status of all deliverables under the Coliseum City ENA.

In addition, from the original \$1.6 million in Coliseum 2006 Series Taxable Bond funds that was originally allocated for this ENA predevelopment work, a total of \$1.36 million has been spent to date on the following deliverables for the project including but not limited to:

- 1) Market Research and Project Marketing- Preliminary market feasibility studies and preliminary market strategies;
- 2) Project Design- Coliseum City Master Plan document, architectural design plans, massing plans, renderings, preliminary public art plans, preliminary list of public infrastructure improvements, and preliminary development cost estimates;

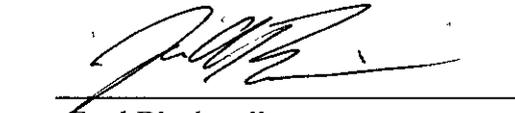
Item: _____
City Council
December 10, 2013

- 3) Project Economics- Preliminary development schedules, initial retail proformas, and preliminary list of lenders and investors;
- 4) Environmental Planning & Approvals- Coordination with the Specific Plan/EIR team, environmental project description, review of existing reports and environmental analysis, and identification of zoning and code requirements, and preparation of regulatory approval schedules; and
- 5) Operational and Management Plans- Conceptual operational and management plans.

A total of \$240,000 is currently available for reprogramming towards the additional detailed Market Data Analysis work. At this time, the developer expenditures to date are not available, although developer's anticipated expenditures during the contract period are included in ***Attachment A***.

For questions regarding this report, please contact Gregory Hunter at (510) 238-2992.

Respectfully submitted,



for Fred Blackwell
Assistant City Administrator

Attachment A

Coliseum City Developer's Pre-Development Budget – Preliminary Estimate

		<i>Low</i>	<i>High</i>
2.9	<i>Business Case and Market Analysis</i>	\$365,000	\$550,000
	<ul style="list-style-type: none"> ▪ <i>AIMP Market Analysis</i> – Commences on ENA execution. ▪ <i>ISG Analysis</i> – Survey commences 3 weeks after AMP data initiation. ▪ <i>Non-sports Market Data</i> – Analyze updated market data to complete the comprehensive development proforma. ▪ <i>Detailed Development Strategy</i> – Next phase development strategy to link sports team leases, land assembly, and revised implementation phasing. Includes detailed construction management assessment of the phased development project. ▪ <i>Revised Master Plan</i> – Update and revise master plan to incorporate revised strategy, including phasing, and specific site alternatives. 		
2.10	<i>Tenant Negotiations</i>	\$250,000	\$550,000
	<u>Raiders</u>		
	<ul style="list-style-type: none"> ▪ Developer negotiation team ▪ Preliminary stadium program, sizing and pricing ▪ Stadium lease terms 		
	<u>A's and Warriors</u>		
	<ul style="list-style-type: none"> ▪ Develop master plan alternatives showing arena, access, parking, etc. ▪ Development Package – revised master plan, development opportunity, value proposition, branding opportunities. 		
2.11	<i>Property Negotiations</i>	\$150,000	\$250,000
	<ul style="list-style-type: none"> ▪ Due Diligence on condition of land and cost of remediation ▪ Identification of phasing and key phase 1 land uses ▪ Identifications of relocation site opportunities ▪ Land negotiations 		
2.12	<i>Investment Funding Analysis</i>	\$100,000	\$150,000
	<ul style="list-style-type: none"> ▪ Identify sources of funding for: Sports Venues, Vertical Development, Infrastructure, and Transit 		
2.14	<i>Land Assembly</i>	\$100,000	\$250,000
	<ul style="list-style-type: none"> ▪ Detailed land Due Diligence ▪ Analysis of remediation costs and Residual land value analysis ▪ Habitat Land Swap- Negotiations with key public agencies 		

Attachment A

	<ul style="list-style-type: none"> ▪ Corporation Yard relocation analysis ▪ Legal advisory costs ▪ (Costs do not include actual land assembly) 		
2.15	Public Benefit Analysis	\$75,000	\$125,000
	<ul style="list-style-type: none"> ▪ Detailed economic study of direct and indirect development impacts 		
2.16	Infrastructure Investment	\$250,000	\$350,000
	<ul style="list-style-type: none"> ▪ PGE power underground engineering ▪ Creek alternatives analysis and environmental ▪ Environmental Site remediation analysis costs ▪ Detailed engineering, phasing and cost analysis for horizontal infrastructure ▪ Transit funding business case analysis for: local, state and federal assistance. 		
2.17	Contracting Plan	\$50,000	\$75,000
	<ul style="list-style-type: none"> ▪ Analysis of contracting opportunities for each phase of the development project. 		
	Sub-Total	\$1,340,000	\$2,300,000
General Bay IG Developer Costs			
	<ul style="list-style-type: none"> ▪ Unallocated Legal Expenses ▪ Media and Public Relations ▪ Direct Employee/Advisors ▪ Travel and Accommodation 		
	Sub-Total	\$250,000	\$500,000
	Total	\$1,590,000	\$2,800,000