APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

ORDINANCE NO. _______________ C.M.S.

AN ORDINANCE:

(1) AUTHORIZING THE CITY ADMINISTRATOR TO AMEND THE PURCHASE AND SALE AGREEMENT OF THE CITY OF OAKLAND'S UNDIVIDED 50% INTEREST IN THE COLISEUM COMPLEX LOCATED AT 7000 COLISEUM WAY, OAKLAND, CALIFORNIA, TO ALLOW THE SIMULTANEOUS SALE OF THE ARENA PARCEL FOR THE LUMP SUM PAYMENT OF $50 MILLION AND THE STADIUM PARCEL FOR $60 MILLION WITH SELLER FINANCING FROM THE CITY, CREDITING THE $5 MILLION DEPOSIT HELD BY THE CITY PRIOR TO THE SALE;

(2) AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE AN AGREEMENT PURSUANT TO WHICH THE BUYERS AGREE TO PAY TO THE CITY 6% OF THE ANNUAL GROSS TICKET SALES FOR ANY EVENT AT THE ARENA PARCEL AND THE STADIUM PARCEL LESS APPLICABLE TAXES;

(3) AMENDING ORDINANCE NO. 13801 C.M.S. CONDITIONING THE SALE TO REQUIRE DEVELOPMENT OF ON-SITE, AFFORDABLE HOUSING AND OTHER BENEFITS TO SOLELY THE SALE OF THE CITY'S INTEREST IN THE STADIUM PARCEL;

(4) AUTHORIZING THE CITY ADMINISTRATOR TO FACILITATE CLOSING PRIOR TO DECEMBER 31, 2026 BY REDIRECTNG TO THE BUYER OF THE STADIUM PARCEL A PORTION OF THE PRO RATA SHARE OF THE CITY'S ANNUAL SUBSIDY OF THE STADIUM PARCEL BASED ON A PER DAY AMOUNT OF $16,438.36 LIMITED TO THE PERIOD BETWEEN THE STADIUM PARCEL CLOSING AND DECEMBER 31, 2026; AND

(5) ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

WHEREAS, the City of Oakland ("City") owns a fifty percent (50%) undivided interest (the "City's Interest") in that certain real property located at 7000 Coliseum Way, located in the City of Oakland, California (the "Property"); and

WHEREAS, the Property is approximately 112-acres in size and abuts the Damon Slough Channel to the North and East, S. Elmhurst Creek Channel to the South and Coliseum Way and I-880 to the West, and consists of two parcels (the "Stadium Parcel" and the "Arena Parcel") with improvements thereon including an arena, a stadium, parking areas and related structures, roadways, sidewalks, loading areas and other improvements (collectively, the "Coliseum Complex"); and

WHEREAS, the County of Alameda ("County") owns the other fifty percent (50%) undivided interest (the "County's Interest") in the Coliseum Complex and on December 23, 2019, the County entered into a disposition and sale agreement, (as amended, the "Disposition Agreement") with the Coliseum Way Partners, LLC, a Delaware limited liability company ("Coliseum Way Partners"), which is an entity affiliated with the Oakland Athletics, for the sale of the County's Interest; and

WHEREAS, the Oakland-Alameda County Coliseum Authority ("JPA") is a joint powers authority established by the City and County, which manages the Property on behalf of the City and the County pursuant to an Amended and Restated Management Agreement, dated as of May 1, 2000 and amended on October 21, 2025; and

WHEREAS, the City and the County each equally subsidize the costs of operating the Stadium Parcel. The City's portion (the "City's Subsidy") is budgeted in its General Purpose Fund, and provided to the JPA on an annual basis; and

WHEREAS, the Coliseum Complex had outstanding lease revenue bond debt ("Bond Debt") managed by the JPA on both the Stadium Parcel and the Arena Parcel existing from bond issuances for Property renovations and improvements. The final payment of the Bond Debt has been paid as of February 2026 and the process for closing out the final bond-related document from title is underway; and

WHEREAS, on March 31, 2015, pursuant to Resolution No. 85491 C.M.S., the City Council certified the Environmental Impact Report, made California Environmental Quality Act ("CEQA") findings, and adopted the Coliseum Area Specific Plan, which included related General Plan amendments (the "Specific Plan"). The Property falls within the boundaries of the Specific Plan; and

WHEREAS, pursuant to the California Surplus Land Act (Government Code Section54220-54233) ("Surplus Land Act"), on December 3, 2019 the City issued a sixty (60) day Notice of Availability of the City's Interest, and received only one letter of interest. During the required ninety (90) day good faith negotiation period, the City determined that the eligible entity was not interested in acquiring the City's Interest; and

WHEREAS, on January 21, 2020, the City Council adopted Resolution No. 88000 C.M.S., which ratified earlier actions and declared the City's Interest as surplus under the Surplus Land Act; and

WHEREAS, on December 17, 2021, the California Department of Housing and Community Development indicated that it had no significant concerns warranting a findings letter within its thirty (30) day review period regarding the City's compliance with the Surplus Land Act; and

WHEREAS, on June 26, 2024 the City Council adopted Ordinance No. 13801 C.M.S., which authorized the City Administrator to negotiate and execute a purchase and sale agreement with AASEG Land LLC, a Delaware limited liability company ("AASEG Land") or its affiliate, with certain proposed minimum terms for the purchase and sale of the City's Interest, including the requirement that at least Sixty Million Dollars ($60,000,000) of the One Hundred Five Million Dollar ($105,000,000) purchase price (the "Purchase Price") would be paid prior to July 1, 2025 ("Payment Timing Restriction"); and

WHEREAS, on August 31, 2024, the City entered into that certain Real Property Sale Agreement, commonly referred to as a purchase and sale agreement, (Coliseum Complex – City's Interest) with Oakland Acquisition Company, LLC, a Delaware limited liability company ("OAC"), an affiliate of AASEG Land (the "Original Agreement"), pursuant to which OAC provided to the City a Five Million Dollar ($5,000,000) nonrefundable deposit toward the Purchase Price; and

WHEREAS, on September 23, 2024, the City and OAC amended the Original Agreement pursuant to that certain First (Administrative) Amendment of Real Property Sale Agreement (Coliseum Complex – City's Interest) (the "First Amendment", together with the Original Agreement, the "City-OAC Agreement"), which among other things, increased the Purchase Price to One Hundred Ten Million Dollars ($110,000,000) and added post-closing additional payments in the amount of Fifteen Million Dollars ($15,000,000) (the "Additional Payments"); and

WHEREAS, on May 6, 2025, the City Council adopted Ordinance No. 13842 C.M.S., which amended Ordinance No. 13801 C.M.S. 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's sale of the County's Interest; and

WHEREAS, OAC has been negotiating with the County and Coliseum Way Partners to facilitate a purchase and sale of the County's Interest; and

WHEREAS, the City's Consolidated Fiscal Policy, Ordinance No. 13487 C.M.S., limits the use of one-time revenues to select purposes including the repayment of unfunded liability including retirement obligations; and

WHEREAS, transmission of additional resources to the California Public Employees Retirement System will result in significant ongoing savings to the City once such resources are received and included in the City's plan valuations; and

WHEREAS, City staff and OAC have negotiated proposed terms of a second amendment to the City-OAC Agreement (the "Second Amendment") as reflected in the non-binding term sheet attached to the Agenda Report for this item (the "Term Sheet"); and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby authorizes the City Administrator to (a) negotiate and execute the Second Amendment substantially in accordance with the Term Sheet attached to the Agenda Report for this item; (b) negotiate and execute a loan agreement, promissory note, and deed of trust for the seller financing from the City of the Stadium Parcel sale, with five percent (5%) interest; (c) negotiate and execute an agreement to facilitate the payment to the City six percent (6%) of annual gross ticket sales as described in the Term Sheet; (d) redirect a portion of the City's Subsidy to the buyer of the Stadium Parcel as described in the Term Sheet to facilitate the closing to occur prior to December 31, 2026; (e) negotiate and execute such other additions, amendments or other modifications to the foregoing documents that the City Administrator, in consultation with the City Attorney's Office, determines are in the best interests of the City, do not materially increase the obligations or liabilities of the City, and are necessary or advisable to complete the transaction contemplated by this Ordinance; and (f) to negotiate and execute such other documents as necessary or appropriate, in consultation with the City Attorney's Office, to implement the City-OAC Agreement as amended by the Second Amendment in order to consummate the transaction in accordance with this Ordinance, or to otherwise effectuate the purpose of this Ordinance and its basic purposes..

SECTION 2. The City Administrator is authorized to accept and deposit land sales proceeds in the amount agreed into the General Purpose Fund (1010), Coliseum Org (90511) Sale of Land Revenue Account (48111), Project TBD, Coliseum Program (SC12).

SECTION 3. The City Council hereby appropriates and directs the City Administrator to transmit the proceeds of the initial lump sum payment to the California Public Employees Retirement System for the payment of the City's Unfunded Accrued Liability for retirement benefits, in an amount estimated at Fifty Million ($50,000,000), once received by the City.

SECTION 4. The City Council hereby finds and determines that it is in the best interest of the City to hereby amend Ordinance No. 13801 C.M.S. conditioning the sale to require development of on-site, affordable housing and other benefits to solely the sale of the City's Interest in the Stadium Parcel.

SECTION 5. The City Council hereby finds and determines that all other authority given to the City Administrator under Ordinance No. 13801 C.M.S. and Ordinance No. 13842 C.M.S. remains in full force and effect.

SECTION 6. 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 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 7. The recitals contained in this Ordinance are true and correct and are an integral part of the City Council's decision.

SECTION 8. 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 9. 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 - BROWN, FIFE, GALLO, HOUSTON, RAMACHANDRAN, UNGER, WANG, AND PRESIDENT JENKINS

NOES –

ABSENT –

ABSTENTION –

ATTEST:____

ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California

NOTICE AND DIGEST

AN ORDINANCE:

(1) AUTHORIZING THE CITY ADMINISTRATOR TO AMEND THE PURCHASE AND SALE AGREEMENT OF THE CITY OF OAKLAND'S UNDIVIDED 50% INTEREST IN THE COLISEUM COMPLEX LOCATED AT 7000 COLISEUM WAY, OAKLAND, CALIFORNIA, TO ALLOW THE SIMULTANEOUS SALE OF THE ARENA PARCEL FOR THE LUMP SUM PAYMENT OF $50 MILLION AND THE STADIUM PARCEL FOR $60 MILLION WITH SELLER FINANCING FROM THE CITY, CREDITING THE $5 MILLION DEPOSIT HELD BY THE CITY PRIOR TO THE SALE;

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(5) ADOPTING CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS

An Ordinance

(1) authorizing the City Administrator to amend the purchase and sale agreement between the City of Oakland ("City") and Oakland Acquisition Company, LLC, a Delaware limited liability company ("OAC") of the City's undivided 50% interest in the Coliseum complex located at 7000 Coliseum Way, Oakland, California, to allow the simultaneous closing of the arena parcel for the lump sum payment of $50 Million and the stadium parcel for $60 Million with seller financing from the City, crediting the $5 Million deposit held by the City prior to the sale;

(2) authorizing the City Administrator to negotiate and execute an agreement pursuant to which the buyers agree to pay to the City 6% of the annual gross ticket sales for any event at the arena parcel and the stadium parcel less applicable taxes;

(3) amending Ordinance No. 13801 C.M.S. conditioning the sale to require development of on-site, affordable housing and other benefits to solely the sale of the City's interest in the stadium parcel;

(4) authorizing the City Administrator to facilitate closing prior to December 31, 2026, by redirecting to the buyer of the stadium parcel a portion of the pro rata share of the City's annual subsidy of the stadium parcel based on a per day amount of $16,438.36 limited to the period between the stadium parcel closing and December 31, 2026; and

(5) adopting California Environmental Quality Act Findings.