CITY OF OAKLAND

AGENDA REPORT

TO:	Elizabeth Lake Acting City Administrator	**FROM:**	Ashleigh Kanat Director, Economic & Workforce Development Department and Bradley Johnson Director, Finance Department
SUBJECT:	Second Amendment to Coliseum Complex Sale Agreement	**DATE:**	July 9, 2026

City Administrator Approval Betsy Lake (Jul 9, 2026 16:44:53 PDT) Date: Jul 9, 2026

RECOMMENDATION

Staff Recommends That The City Council Adopt 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 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

EXECUTIVE SUMMARY

The recommended action would authorize the City Administrator to amend the City's existing sale agreement between the City of Oakland (City) and the Oakland Acquisition Company, LLC (OAC) for the purchase and sale of the City's 50% undivided interest (City's Interest) in the Oakland-Alameda County Coliseum Complex. OAC is a single purpose entity comprised of Loop Capital and the African American Sports and Entertainment Group (AASEG). The amendment would add several improved financial terms for the City and help mitigate potential risks.

The Oakland-Alameda County Coliseum Complex contains two separate parcels: an approximately nine-acre parcel containing the Oakland Arena (Arena Parcel) and an approximately 103-acre parcel that includes the Oakland Coliseum and surrounding parking lots (Stadium Parcel).

The amendment would provide for an all-cash sale of the City's interest in the Arena Parcel for $50 million and a seller-financed sale of the City's interest in the Stadium Parcel for $60 million. OAC would purchase both parcels in a simultaneous transaction that would close as soon as September 2026 and no later than January 2027.

The City would receive $50 million for the Arena Parcel when the transaction closes and would receive payment for the Stadium Parcel over time. The City already holds a $5 million deposit from OAC which would be credited to the purchase price of the Stadium Parcel and the City would receive the balance of that purchase price in three equal payments (including interest) no later than five, six and seven years after closing, respectively. Actual payment could be made substantially sooner, once OAC receives land use entitlements for that parcel. In addition, consistent with the existing sale agreement, the City would receive an additional $15 million for the Stadium Parcel once OAC receives building permits for new construction, bringing the total price the City would receive for its interest in the Coliseum Complex to $125 million.

In addition, the City would receive 6% of annual gross ticket revenue generated at the Arena, Stadium, and any future event venue on the property moving forward. This would provide an on-going source of new General Fund revenue to the City, conservatively estimated to be approximately $3 million annually and expected to grow over time.

The outstanding payments on the Stadium Parcel would be subject to interest at a rate of 5% compounded annually, secured through a deed of trust, and backed by multiple mechanisms, including a guaranty or payment bond provided by a qualified third party, which would provide the City with recourse should payments not be made.

The recommended action would divest the City from the Coliseum Complex rapidly, thereby saving the City up to $6 million in expenses that must otherwise be covered by the City's General Fund on an annual basis.

BACKGROUND / LEGISLATIVE HISTORY

The City owns a fifty percent (50%) undivided interest in the Oakland-Alameda County Coliseum Complex located at 7000 Coliseum Way in the City of Oakland (Property).

The Property is approximately 112-acres in size and abuts the Damon Slough Channel to the North and East, South Elmhurst Creek Channel to the South and Coliseum Way and I-880 to the West. It consists of two parcels. One parcel measures approximately 9-acres and contains the Oakland Arena (Arena Parcel). The other measures approximately 103-acres and contains the Oakland Coliseum, parking areas and related infrastructure (Stadium Parcel).

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

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.

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

The Property had outstanding lease revenue bond debt managed by the JPA on both the Stadium Parcel and the Arena Parcel due to bond issuances for Property renovations and improvements. As of February 2026, the final payment of the bond debt has been paid and the process for closing out the final bond-related document from the Property's title is underway.

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 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.

On December 3, 2019, pursuant to the California Surplus Land Act (Government Code Section 54220-54233), the City issued a sixty-day Notice of Availability of the City's Interest, and received only one letter of interest. During the required ninety-day good faith negotiation period, the City determined that the eligible entity was not interested in acquiring the City's Interest.

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.

On November 16, 2021, the City Council adopted Resolution No. 88922 C.M.S., which authorized the City Administrator to enter into an exclusive negotiating agreement with AASEG to negotiate terms for the acquisition and development of the City's Interest by AASEG.

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-day review period regarding the City's compliance with the Surplus Land Act.

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 $60 million of the $105 million purchase price would be paid prior to July 1, 2025 (Payment Timing Restriction).

On August 31, 2024, the City entered into a Real Property Sale Agreement, commonly known as a Purchase and Sale Agreement (Purchase and Sale Agreement) with OAC, an affiliate of AASEG Land (Original Agreement), pursuant to which OAC provided to the City a $5 million nonrefundable deposit toward the purchase price.

On September 23, 2024, the City and OAC amended the Original Agreement which, among other things, increased the purchase price to $110 million and added post-closing additional payments in the amount of $15 million (Additional Payments). This increased total consideration to be paid for the City's Interest by $20 million, bringing OAC's total payment price to $125 million.

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.

OAC has been negotiating with the County and Coliseum Way Partners to facilitate OAC's purchase of the County's Interest. On May 28, 2026, the County Board of Supervisors approved a non-binding term sheet for the sale of the County's Interest to OAC.

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.

ANALYSIS AND POLICY ALTERNATIVES

City staff and OAC have negotiated proposed terms of a second amendment to the Purchase and Sale Agreement (Second Amendment) as reflected in the non-binding term sheet (Term Sheet) attached as **Attachment A**. The essential terms are summarized below.

Overview of New Terms

- Closing: OAC to purchase the Arena Parcel and Stadium Parcel simultaneously with a target closing date (Closing) of September 1, 2026 and no later than January 30, 2027.
- Arena Sale: OAC shall pay $50 million for the Arena Parcel, to be paid to the City in full at Closing. OAC may then sell the City's interest in the Arena Parcel to a third-party purchaser (Arena Buyer).
- Stadium Sale: OAC shall pay $60 million for the Stadium Parcel, to be paid to the City in the following three equal installments after Closing. The existing $5 million deposit would be credited to the Stadium sale. The outstanding balance would be subject to interest at a rate of 5% compounded annually.

1. First Payment: Due one year after securing land use entitlements, but in any event no later than five years after Closing.

2. Second Payment: Due one year after the first payment.

3. Third Payment: Due one year after the second payment.

- Additional Coliseum Payments: OAC to make $15 million in additional payments to the City after Closing, tied to OAC's receipt of building permits for future development on the Property, as already provided under the existing Purchase and Sale Agreement.

- Ticket Revenue: City to receive 6% of annual gross ticket sales from all events at the Arena Parcel, Stadium Parcel, and any future venues constructed on the Property to the City moving forward.

- Security: The outstanding Stadium purchase price secured or backed in all of the following ways:

    1. Enterprise Value: OAC to maintain at all times an enterprise value equal to or greater than the outstanding Stadium purchase price.

    2. Third Party Assurance: OAC to provide a guaranty or payment bond from a qualified third-party, acceptable to the City, in the amount of the outstanding Stadium purchase price (Third Party Assurance) by the later of January 1, 2027 or four months after Closing (Assurance Deadline).

    3. Subsidy Withholding: City to retain the outstanding half of the Prorated Subsidy (defined below) if the Third Party Assurance is not provided by the Assurance Deadline.

    4. Price Escalation: The Stadium purchase price shall increase by $100,000 for each month the Third Party Assurance is outstanding after the Assurance Deadline.

    5. Deed of Trust: City to receive a senior deed of trust allowing for the City's foreclosure of the Stadium Parcel in case of default by OAC.

- Operational Responsibility: OAC to assume responsibility for operating and maintaining both parcels at Closing, including for all associated expenses and losses. Upon Closing, City shall redirect payment of its subsidy of the Stadium Parcel from the JPA to OAC for the remaining days in calendar year 2026 (Prorated Subsidy). This shall be calculated based on a rate of $16,438.36 per day. City to pay half of the Prorated Subsidy to OAC at Closing and the remainder when OAC provides the Third Party Assurance by the Assurance Deadline.

- Deed Restrictions: The requirement for affordable housing and negotiation of community benefits required under the existing Purchase and Sale Agreement, which shall be covenants in the deed to OAC, shall apply solely to the Stadium Parcel.

Analysis

As discussed below, the proposed Second Amendment would add improved financial terms for the City and help mitigate potential risks to the City.

Sales Price and Additional New Revenue

The recommended action would authorize the City Administrator to amend the existing Purchase and Sale Agreement with OAC to apply the terms from the Term Sheet. This would provide for an all-cash sale of the City's interest in the Arena Parcel for $50 million and a seller financed sale of the City's interest in the Stadium Parcel for $60 million, each to OAC in a simultaneous transaction to close as soon as September 2026 and no later than January 2027. The City already has a $5 million deposit and would credit it toward the Stadium Parcel purchase price from OAC and would receive the balance in three equal payments no later than five, six and seven years after Closing, respectively, subject to interest at a rate of 5% compounded annually. Actual payment could be substantially sooner, once OAC receives land use entitlements for new development on the Stadium Parcel. In addition, consistent with the existing Purchase and Sale Agreement, the City would receive an additional $15 million over time as OAC receives building permits for new construction.

After all payments are made, the City will have received a total of $125 million in cash consideration for the City's Interest. This exceeds the City's original $105 million sale price negotiated with OAC in 2024.

The City's Consolidated Fiscal Policy limits the use of one-time revenues to select purposes including the repayment of unfunded liability including retirement obligations. Consistent with this policy, these one-time payments would be used for the payment of the City's Unfunded Accrued Liability for retirement benefits in the California Public Employees Retirement System (CalPERS).

In addition, the City would receive 6% of gross ticket sales on both parcels moving forward, which would provide a new on-going source of revenue to the City, conservatively estimated to be approximately $3 million annually. This amount would increase gradually over time with inflation and could substantially increase if new event venues are constructed on the Stadium Parcel.

City Protections

The Term Sheet includes several mechanisms to ensure that the City is paid the outstanding Stadium Parcel purchase price in full. Most importantly, it requires that OAC provide either an enforceable guaranty or payment bond from a qualified third-party that is satisfactory to the City. A guaranty would be a binding contract with a third party which would be responsible for making the outstanding payments if OAC does not. A payment bond is a common financial instrument that would provide payment from a surety or financial institution. OAC would face certain penalties if it failed to provide this Third Party Assurance by the Assurance Deadline, including retention of up to approximately $1 million in Prorated Subsidy and a monthly escalation in the purchase price. OAC would also be required to maintain assets equal to or in excess of the outstanding Stadium Parcel purchase price to demonstrate OAC's ability to perform. Finally, the City could foreclose on its deed of trust on the Stadium Parcel to retake possession of the Stadium Parcel or sell it to another buyer.

Avoided Expenses

The recommended action would relieve the City of significant liabilities associated with its ongoing ownership stake in the Property. While the Arena generates positive annual cash flow, the Stadium costs more to operate, maintain, and secure than it generates in revenue. Currently, the City and County jointly own the Property, which is managed through the JPA and each party must provide roughly $6 million annually to cover losses. The recommended action would transfer responsibility for the Property to OAC in the next few months and thereby remove the City and its General Fund from any further exposure. The City would redirect approximately $2 million of the City's operating subsidy from the JPA to OAC to cover the remainder of the calendar year depending on the date of Closing.

Use of Proceeds

Transmission of additional resources to CalPERS from the initial receipt of funds from the Arena Sale would result in ongoing savings to the City once such resources are received and included in the City's plan valuations. This would help reduce the City's roughly $2 billion unfunded accrued liability related to its retirement benefits. Sale proceeds received in future years would be allocated by the City Council at that time.

RELATED PLANNING EFFORTS

The recommended action would help to implement the City's adopted Coliseum Area Specific Plan. It would transfer title of the City's Interest in the Coliseum Complex to a private entity that is well positioned to unite the City's Interest with the County's Interest, operate the Arena, and eventually pursue comprehensive redevelopment of the larger site consistent with the mixed-use development vision articulated in the Coliseum Area Specific Plan. AASEG has a publicly-stated goal to "utilize our development model as a catalyst to fully implement the Coliseum Specific Plan for the benefit of Oakland's most under-served communities in East Oakland".[1]

FISCAL IMPACT

The Sale of the City's Interest in the Coliseum Property would generate a total of $125 million in direct revenues to the City. Of these revenues $5 million has already been received in FY 2024-25, $50 million would be received at the time of closing on the Arena Sale in FY 2026-27, and the remainder would be received in future years. The initial received $5 million has been included in prior year budgets and is a component of the General Purpose Fund Balance. The $50 million received at Closing from the Arena Parcel sale would be received in the General Purpose Fund in a designated restricted project during FY 2026-27 and would be transmitted to the California Public Employees Retirement System (CalPERS) for the payment of the City's Unfunded Accrued Liability for retirement benefits. The remaining balance of $70 million would be received in the General Purpose Fund and would be appropriated by future action of the City Council at the time of its receipt.

The sale of the Coliseum parcel is projected to generate additional ongoing revenue streams to the City of Oakland including a 6% profit share on gross ticket sales, property tax from the now

[1] https://www.aasegoakland.com/

privately-owned Property, real estate transfer tax from the sale of the Property to OAC and any subsequent sale or component sales of the Property, parking tax from the operation of parking facilities, and ongoing sales and business license tax revenues. These revenues would largely accrue to the General Purpose Fund although certain streams such as parking tax may also positively affect restricted funds.

The Term Sheet includes a temporary and prorated operating subsidy for the remainder of calendar year 2026 following Closing. These funds, estimated at $2 million over the course of 4 months, would be drawn from already budgeted subsidies for operations of the JPA which would sunset due to the transaction. Sale of the City's Interest would eliminate future operating costs to the City due the absence of future operating subsidy.

The transmission of the initial sale proceeds to CalPERS for the payment of the City's Unfunded Accrued Liability for retirement benefits is consistent with the City's Consolidated Fiscal Policy, which restricts the use of one-time revenues "to fund debt retirement and unfunded long-term obligations such as negative fund balances, Police and Fire Retirement System (PFRS) unfunded liabilities, CalPERS pension unfunded liabilities, paid leave unfunded liabilities, and Other Post-Employment Benefits (OPEB) unfunded liabilities." Furthermore, the use of these funds to address Unfunded Accrued Liability is consistent with fiscally prudent best practices.

PUBLIC OUTREACH / INTEREST

The recommended action will be considered at a public meeting of the full City Council and will be publicly noticed consistent with standard City Council public noticing provisions.

COORDINATION

This report was prepared by the Economic & Workforce Development Department and the Finance Department in coordination with City Administrator's Office and the Office of the City Attorney.

RACE AND EQUITY

The recommended action would enable the purchase of the City's Interest by a Black-led development group with a mission of creating economic equity for the Black community. Continued operation of the Arena and the eventual redevelopment of the Stadium Parcel is expected to bring jobs, attract investment, and generate positive economic activity in East Oakland. The Property is located in a High Priority Neighborhood according to the Oakland Department of Transportation's Geographic Equity Toolbox with 96% of residents identifying as Black, Latinx, Asian-Pacific Islander and/or Indigenous, and 31% of residents considered Low Income, defined as earning less than 50% of the area median income.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The City Council hereby finds and determines, on a separate and independent basis, that the recommended action would 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.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Adopt 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 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

For questions regarding this report, please contact Brendan Moriarty, Director of Real Estate and Special Projects at bmoriarty@oaklandca.gov or (510) 238-6354.

Respectfully submitted,

Ashleigh Kanat (Jul 9, 2026 15:44:45 PDT)

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Economic & Workforce Development Department

Bradley Johnson (Jul 9, 2026 15:49:34 PDT)

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Attachments (**1**):
A: Term Sheet

NON-BINDING TERM SHEET
City of Oakland and OAC
Oakland-Alameda County Coliseum Complex Transaction

This Non-Binding Term Sheet ("**Term Sheet**") sets forth the principal terms and conditions of a proposed transaction (the "**Transaction**") by and between Oakland Acquisition Company, LLC, a Delaware limited liability company ("**OAC**"), and the City of Oakland ("**City**"). The Transaction contemplates the City's conveyance of its fifty percent (50%) undivided interest (the "**City's Interest**") in the Oakland-Alameda County Coliseum Complex (the "**Complex**") to OAC. The Complex is comprised of Parcel 1 (together with the improvements thereon, the "**Stadium Parcel**") and Parcel 2 (together with the improvements thereon the "**Arena Parcel**"). The close of escrow for the Transaction shall occur simultaneously with a target closing date of September 1, 2026, but with no later than a closing date of January 30, 2027: (a) the purchase and sale of the City's Interest in the Arena Parcel (the "**Arena Parcel Closing**"); and (b) the purchase and sale of the City's Interest in the Stadium Parcel (the "**Stadium Parcel Closing**"). The City anticipates the terms of the Transaction to be before the City Council for consideration in July 2026. This Term Sheet represents an expression of intent only and does not set forth all matters upon which agreement must be reached in order for the Transaction to be consummated. This Term Sheet does not constitute a legally binding agreement and does not create any legal obligations on the part of, or any rights in favor of, any party.

Certain elements of the Term Sheet require the participation and agreement of the County of Alameda (the "**County**") and the Arena Buyer (as defined below). The County is not a party to this Term Sheet and has not been engaged in discussions between the City and OAC prior to the issuance of this Term Sheet. The Arena Buyer is not a party to this Term Sheet, and the City has not engaged in discussions with the Arena Buyer.

Reference is hereby made to that certain Real Property Sale Agreement (Coliseum Complex – City's Interest), dated August 31, 2024, by and between the City and OAC, as amended by that certain First (Administrative) Amendment to Real Property Sale Agreement, dated September 23, 2024 (the "**First Amendment**") (as amended by the First Amendment, the "**Original PSA**"). The Original PSA as amended by the Second Amendment (as defined below) shall be referred to as the "**PSA**".

The parties are currently negotiating the Second Amendment to the Original PSA (the "**Second Amendment**"), which will incorporate revised terms. The principal terms of the Transaction are set forth below:

Arena Sale	OAC and the City will negotiate in good faith to facilitate the sale of the Arena Parcel by OAC to a third-party purchaser (the "**Arena Buyer**") at the Arena Parcel Closing for not less than $100 million. Pursuant to the Original PSA, OAC paid a deposit of $5 million (the "**Deposit**") to the City. The Deposit will remain with the City and shall be credited to OAC for the purchase of the Stadium Parcel as set forth below.

The purchase price of the City's Interest in the Arena Parcel shall be $50 million.

Stadium Operations Transition

The City and the County shall remain responsible for Stadium Parcel operations via the Oakland-Alameda County Joint Powers Authority ("**JPA**") until the Stadium Parcel Closing. Upon the Stadium Parcel Closing, OAC shall assume operational control of the Stadium Parcel and shall assume responsibility for all expenses and losses related to any and all operations and events at the Stadium Parcel. On the date of the Stadium Parcel Closing, OAC shall accept and assume via assignment from the JPA or other third parties (i) all contracts for events scheduled in the Stadium, (ii) the food and beverage vendor contracts for the Stadium and (iii) liability for existing collective bargaining agreements related to Stadium operations.

The City and the County each subsidize the costs of operating the Stadium Parcel (the "**City's Subsidy**" and the "**County's Subsidy**", respectively). The City shall pay to OAC an amount equal to the pro rata share of the anticipated City's Subsidy, which shall be $6 million for purposes of this calculation up to and including December 31, 2026 (the "**Subsidy Payment**"). For example, the anticipated City Subsidy amount is $6 million, which equals $16,438.36 per day. If the Stadium Parcel Closing occurs on October 1, 2026, the City would make a Subsidy Payment of $1,479,452.40 ($16,438.36 times 90 days). Half of the Subsidy Payment shall be paid to OAC at the Stadium Parcel Closing. The balance will be paid to OAC at the Full Amount Deadline (as defined below) only if OAC has obtained either a third-party guaranty or a payment bond guaranteeing or insuring payment of the remaining principal balance of the Stadium Parcel Closing Purchase Price as of the Full Amount Deadline.

Arena Operations Transition

Upon authorization by the City Council of this Term Sheet, OAC and the JPA shall cooperate with one another in booking events that have not yet been booked from and after the scheduled closing date for the Arena Parcel Closing. OAC shall require the Arena Buyer to assume responsibility for operating the Arena Parcel on the date of the Arena Parcel Closing. On the date of the Arena Parcel Closing, OAC shall cause the Arena Buyer to accept and assume via assignment from the JPA or other third parties all contracts for events

	scheduled in the Arena Parcel and to assume to the extent reasonably feasible existing collective bargaining agreements related to Arena operations. Arena Buyer shall not be responsible for any historical accrued liabilities thereunder. The Arena Buyer shall not be responsible for any obligations under existing agreements which relate to the Arena Parcel other than agreements that the Arena Buyer expressly agrees to assume.
OAC Payment Terms	The total purchase price for the City's Interest is $125 million as described herein. (1) As described above, the purchase price of the City's Interest in the Arena Parcel is $50 million. The purchase price of the City's Interest in the Stadium Parcel is $60 million. The Deposit will remain with the City as a nonrefundable down payment for the purchase and sale of the City's Interest in the Stadium Parcel. OAC will pay the remaining portion of the $55 million (the "**<u>Stadium Parcel Closing Purchase Price</u>**") in three (3) payments plus interest at a rate of five percent (5%) compounded annually that has accrued since the last payment. The amount of each payment shall be one-third of the principal balance outstanding on the date of the first payment. The first payment (the "**<u>First Payment</u>**") shall be due the earlier of: (a) the first anniversary of issuance of Planned Development Approval; or (b) five (5) years from the date of the Stadium Parcel Closing. The second payment (the "**<u>Second Payment</u>**") shall be due one (1) year after the first payment due date. The third payment (the "**<u>Third Payment</u>**") shall be due one (1) year after the second payment due date. While Planned Development Approval is expected to take no longer than four (4) years, OAC will use commercially reasonable efforts to obtain Planned Development Approval as soon as reasonably possible. (2) Post-Stadium Parcel Closing, OAC will make additional payments totaling $15 million pursuant to Section 8.9 of the PSA (the "**<u>Additional Payments</u>**"). The Additional Payments shall be memorialized as covenants in the Stadium Parcel Quitclaim Deed conveying title to OAC, the form of which will be attached to the Second Amendment.
Environmental	The existing indemnity, as-is where is and release language in the Original PSA remains acceptable to OAC.

The Arena Buyer will not be liable for hazardous materials (including the pump and discharge issues described below) that exist in the Arena Parcel or the Stadium Parcel as of the Arena Parcel Closing. This exception shall be transferable to Arena Buyer's successors and assigns and will be included in the Arena Parcel Quitclaim Deed, the form of which shall be attached to the Second Amendment.

Pump and discharge issues, operations and expenses that have been identified and are being addressed by the JPA shall remain the responsibility of the JPA until the Stadium Parcel Closing.

City Indemnification for Pending Litigation	All existing cases listed on Exhibit F to the PSA shall remain unless resolved by settlement or Court determination. If applicable, the City shall update Exhibit F to remove any such cases and include any new cases.
Post-Closing Transfer Restrictions	Except with respect to the sale of the Arena contemplated by this Term Sheet, until the earlier of Planned Development Approval or four (4) years after the Stadium Parcel Closing, without the City's express prior written consent (which shall not be unreasonably withheld, conditioned or delayed), OAC shall not transfer all or any portion of its interest in the Stadium Parcel to any Person unless such Person is (a) an Affiliate of OAC or any Person that, directly or indirectly, Controls or co-Controls or owns an interest in OAC, or (b) is a Qualified Transferee (a Person that has experience with the development, ownership and operation of large-scale commercial and/or residential projects) or an Affiliate of a Qualified Transferee or a Person who has engaged a Qualified Transferee. These restrictions shall constitute covenants which run with the land.
Deed Restrictions	The Stadium Parcel Quitclaim Deed, but not the Arena Parcel Quitclaim Deed, will include the following deed restrictions pursuant to Ordinance No. 13801 C.M.S.: (a) Affordable Housing: At least twenty-five percent (25%) of any residential units built on the Property shall be designated affordable and available to households earning up to sixty percent (60%) of Area Median Income ("**AMI**"), with at least ten percent (10%) of those units being made available to households earning up to thirty percent (30%) of AMI, for fifty-five (55) years after the recordation date of the Stadium Parcel Quitclaim Deed.

(b) Community Benefits: The City and OAC shall negotiate in good faith a bundle of community benefits within five (5) years after the recordation of the Stadium Parcel Quitclaim Deed, including but not limited to: labor agreements and labor peace; local and small business contracting goals; workforce training and local employment provisions; living wage; public open space and parks; sustainable and green development standards; transportation infrastructure and transportation demand management programs including transit affordability and accessibility; anti-displacement and housing preservation policies; City participation in profit-sharing; and other community benefits.

OAC Enterprise Value

OAC represents that it shall have the resources and financial capacity to acquire the City's Interest consistent with the provisions of the PSA, including making all payments when due under the PSA. OAC shall during the pendency of the PSA immediately notify the City of any material, adverse change in its financial condition. OAC shall maintain at all times an enterprise value equal to or greater than the remaining balance of the Stadium Parcel Closing Purchase Price. Provided, however, the debt represented by the remaining balance of the Stadium Parcel Closing Purchase Price due from OAC to the City shall not be taken into account when calculating OAC's enterprise value.

Remedies

Remedies for the purchase and sale of the Stadium Parcel for the Stadium Parcel Closing Purchase Price shall be as follows:

OAC shall use best efforts to obtain either a third-party guaranty or a payment bond guaranteeing or insuring payment of the remaining principal balance of the Stadium Parcel Closing Purchase Price by the later of January 1, 2027 or four (4) months after the Stadium Parcel Closing (the "**Full Amount Deadline**"), which OAC shall maintain in place at all times thereafter until the Stadium Parcel Closing Purchase Price is paid in full.

Any such guaranty or a payment bond guaranteeing or insuring payment of the remaining balance of the Stadium Parcel Closing Purchase Price shall be provided/issued by a third party that is acceptable to the City.

In addition, a senior deed of trust in favor of the City for the amount of the balance of the Stadium Parcel Closing

Purchase Price (the "**Deed of Trust**") shall be recorded against the City's Interest in Stadium Parcel at the Stadium Parcel Closing.

In the event that OAC fails to provide either a third-party guaranty or a payment bond guaranteeing or insuring payment of the remaining balance of the Stadium Parcel Closing Purchase Price by the Full Amount Deadline, the Stadium Closing Purchase Price shall increase by $100,000 for each month the third-party guaranty or payment bond is in an amount less than the full outstanding principal amount of the Stadium Parcel Closing Purchase Price.

The Complex is subject to a Grant of Reciprocal Easements and Declaration of Covenants and Restrictions for the Oakland-Alameda County Coliseum recorded on August 1, 1996 ("**REA**"). For any amendment to the REA, whether agreed to before or after a Stadium Parcel Closing, to be subordinated to the Deed of Trust, the City must approve such amendment to the REA in writing such approval not to be unreasonably withheld, delayed or conditioned.

BART-Coliseum Walkway

The City shall retain ownership of the aerial public walkway between the BART station and the Stadium Parcel. As a condition to Stadium Parcel Closing, OAC and the City shall enter into a recorded walkway maintenance agreement pursuant to which OAC or its successors and assigns shall maintain the walkway for so long as it remains a public walkway controlled by the City, and the City shall agree to preserve the walkway as a public walkway for the duration of its current useful life, after which the City may transfer title to the walkway to OAC or its successors and assigns.

Tickets

Both the sale of the Arena Parcel and the sale of the Stadium Parcel shall be subject to an agreement pursuant to which the Arena Buyer and OAC (and their successors and assigns) agree to pay to the City an amount equal to six percent (6%) of the annual gross ticket sales from any event at the Arena Parcel and any current or future venues at the Stadium Parcel less any admission taxes, entertainment taxes, or other similar ticket taxes imposed by the City.

Conditions to Closing

The obligations of the parties to complete the simultaneous Arena Parcel Closing and Stadium Parcel Closing will be conditioned upon, among other things: (i) OAC and the City having finalized the Second Amendment; (ii) the Arena

	Parcel Closing to be structured as a back-to-back escrow sale with a deed from the City to OAC followed by a deed to Arena Buyer; (iii) the reservation of easements for Hegenberger Road, S. Coliseum Way, and 695 Hegenberger Property access; (iv) execution of the BART-Coliseum Walkway maintenance agreement; and (v) such other customary closing deliverables and conditions as mutually agreed upon by the parties.
Title Company	At OAC's election, First American will be replaced by Fidelity as the title company and escrow agent for the Transaction.