

Revisions announced at the October 9, 2021 Council meeting

OCTOBER 7, 2021

CLOSED SESSION REPORT OF FINAL ACTION

Date of Meeting: *Thursday, October 7, 2021*

Real Property Negotiations: Pursuant to California Government Code section 54956.8:
Conference with Real Property Negotiators

Coliseum Properties (various parcels bounded by San Leandro Street, 66th Avenue, Hegenberger Road, and Interstate 880)

Under Negotiation Price, terms of payment, or both, in connection with the purchase, sale, lease or exchange of the City's undivided 50% interest in the property.

- a) Negotiating Parties: African American Sports and Entertainment Group, and City Negotiators: Edward Reiskin, Betsy Lake, Larry Gallegos, Barbara J. Parker and Bijal Patel**
- b) Negotiating Parties: Stewart Property Group, LLC, Dave Stewart and Lonnie Murray, and City Negotiators: Edward Reiskin, Betsy Lake, Larry Gallegos, Barbara J. Parker and Bijal Patel**

This matter is listed as **Item No. 3** on the Closed Session Agenda:

FACTS/ISSUES:

On July 6, 2021 the Council passed Resolution No. 88742 C.M.S. authorizing the City Administrator to negotiate non-exclusively with each of the following regarding the terms of disposition of the City's undivided 50% fee ownership interest in the Coliseum Complex:

1. Oakland Athletics, LLC and Coliseum Way Partners, LLC ("The Athletics Investment Group, LLC");
2. African American Sports and Entertainment Group ("AASEG");
3. (Tripp Development);
4. Dave Stewart/ Lonnie Murray and Sports Management Partners ("Dave Stewart/Lonnie Murray"); and
5. New City Development, LLC, an affiliate of The Renaissance Companies, Inc. ("The Renaissance Companies").

All of the parties had expressed unsolicited interest in the City's 50% undivided fee ownership interest in the Coliseum Complex.

During the July 15, 2021 closed session, the Council received a report from the City's Negotiators regarding the foregoing entities and their interest in the City's 50% undivided fee ownership interest in the Coliseum Complex and thereafter provided direction to the City's Negotiators.

As previously reported out, on July 15, 2021 the Council passed a motion authorizing and directing the City’s Negotiators to proceed with dual track negotiations for a long-term lease or sale (with preference for a long-term lease) with both the African American Sports and Entertainment Group (“AASEG”) and Dave Stewart/Lonnie Murray and Sports Management Partners for the next 6 months.

The Council was provided an update on the price and terms of negotiations for negotiations with each of the parties at the October 7, 2021 closed session and adopted the motion below.

OCTOBER 7, 2021 MOTION:

The Council passed a motion authorizing and directing the City’s Negotiators to continue dual track negotiations for an Exclusive Negotiating Agreement for a long-term lease or sale (with preference for a long-term lease) with both the African American Sports and Entertainment Group (“AASEG”) and Dave Stewart/Lonnie Murray and Sports Management Partners with the following conditions:

1. Negotiate with Developer to pay a \$200,000 Exclusive Negotiating Agreement (ENA) fee, and
2. Negotiate with Developer to pay a Project Expense Payment (PEP) fee based on actual costs, and
3. Negotiate with Developer to assume responsibility for reaching agreement with the owner of the other undivided 50% interest in the property on any proposed project, with cooperation from City staff as needed, and
4. Return to Closed Session again for further direction on proposed ENA terms, and
5. Bring an action for ENA approval after receiving written consent of the California Department of Housing and Community Development (State HCD) that the proposed action is in compliance with the Surplus Land Act.

The motion passed unanimously with 8 ayes (Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and Bas).

Motion Made by: **Councilmember Kaplan**

Motion Seconded by: **Councilmember Gallo**

AYES: Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and President Fortunato Bas= 8

NOES: Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and President Fortunato Bas=

ABSENT: Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and President Fortunato Bas=

ABSTENTIONS: Fife, Gallo, Kalb, Kaplan, Reid, Taylor, Thao and President Fortunato Bas=