



Oakland-Alameda County
Coliseum Authority

**OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY
SPECIAL BOARD MEETING**

**NOTICE AND AGENDA
BOARD OF COMMISSIONERS
OAKLAND ARENA PLAZA CLUB
7000 COLISEUM WAY
OAKLAND CA 94621
November 4, 2024
12:00P.M.**

You are invited to a Zoom webinar.

When: Nov 4, 2024 12:00 PM Pacific Time (US and Canada)

Topic: OACCA Special Board Meeting 11.4.24

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/83375346453?pwd=wSJ3v62P4U8yhLj2hRiSWctsTBC17Q.XkFKDXhhH>

Oyrxxch

Passcode: 933860

Or One tap mobile :

+16699006833,,83375346453#,,,,*933860# US (San Jose)

+16694449171,,83375346453#,,,,*933860# US

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+1 669 900 6833 US (San Jose)

+1 669 444 9171 US+1 719 359 4580 US+1 253 205 0468 US

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Webinar ID: 833 7534 6453

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **OPEN FORUM**
4. **RESOLUTION (1) AUTHORIZING THE REDEMPTION OR DEFEASANCE OF THE OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY LEASE REVENUE BONDS (OAKLAND COLISEUM ARENA PROJECT) NO LATER THAN JUNE 30, 2025, SUBJECT TO COMPLETION OF DUE DILIGENCE, EVALUATION AND ANALYSIS BY AUTHORITY STAFF, BOND COUNSEL, FINANCIAL ADVISORS AND OTHER CONSULTANTS AS NECESSARY TO COMPLETE THE TRANSACTION, PROVIDED THAT OAKLAND ACQUISITION COMPANY, LLC PAYS ALL COSTS AND EXPENSES ASSOCIATED WITH THE TRANSACTION; AND (2) AUTHORIZING THE EXECUTIVE DIRECTOR TO ENGAGE CONSULTANTS TO COMPLETE THE DUE DILIGENCE AND ANALYSIS AND RETURN TO THE BOARD FOR APPROVAL OF IMPLEMENTATION OF THE REDEMPTION OR DEFEASANCE**
5. **ADJOURNMENT**

Honorable Chairperson Kaplan and Commissioners of the Authority

The City of Oakland is requesting the JPA to defease the outstanding Arena bonds scheduled for final payment on February 1, 2026. Under the current schedule there are two payments remaining, one on February 1, 2025, and the final payment on February 1, 2026. The payments are approximately \$8 million on each payment due date. The February 1, 2025, due date will be paid on the current schedule. The City is seeking to defease the final payment earlier than the February 1, 2026, date. Under the City's proposal Oakland Acquisition Company (OAC) will bear all costs related to the defeasance, including costs for bond counsel, financial advisor, trustee, filing fees, other ancillary fees, plus the actual amount of the defeasance. There would be no cost to the JPA to undertake and complete the transaction.

The JPA issued two separate bonds for the reconstruction of the Stadium and the Arena. The Stadium bonds were issued in 1995 and the Arena bonds in 1996. The final payment on the Stadium bonds of approximately \$2.4 million will be made on February 1, 2025, the regular scheduled payment. Also on February 1, 2025, the next to the last payment of approximately \$8 million will be made on the Arena bonds. Once that occurs, the only remaining debt will be on the Arena bonds of approximately \$8 million.

The purpose of the City's desire to defease the final payment on the Arena bonds is to accelerate the sale of its fifty percent (50%) interest in the Coliseum Complex and allow the purchaser to complete its financing timeline and start the pre-development

activity. Both the City and County have entered into agreements to sell their respective fifty percent (50%) interest in the Coliseum property. The County entered into a Disposition Agreement with Coliseum Way Partners (CWP) and the City entered into a Purchase and Sale Agreement with the Oakland Acquisition Company (OAC) an affiliate of African American Sports and Entertainment Group (AASEG), and LOOP Capital to purchase the City's fifty percent (50%) interest. Subsequently, AASEG/OAC has entered into an agreement to purchase CWP's fifty percent (50%) interest.

The City adopted a specific plan in 2015 to guide the redevelopment of the property and surrounding areas. Now that the A's have departed and the City and County are selling their respective interests, it is beneficial to East Oakland and the region to commence the redevelopment of the site. The early defeasance of the Arena bonds is a key step.

I recommend approval of the resolution.

Respectfully submitted,

Henry L. Gardner
Executive Director

OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY
RESOLUTION NO. 2024- 6

RESOLUTION (1) AUTHORIZING THE REDEMPTION OR DEFEASANCE OF THE OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY LEASE REVENUE BONDS (OAKLAND COLISEUM ARENA PROJECT) NO LATER THAN JUNE 30, 2025, SUBJECT TO COMPLETION OF DUE DILIGENCE, EVALUATION AND ANALYSIS BY AUTHORITY STAFF, BOND COUNSEL, FINANCIAL ADVISORS AND OTHER CONSULTANTS AS NECESSARY TO COMPLETE THE TRANSACTION, PROVIDED THAT OAKLAND ACQUISITION COMPANY, LLC PAYS ALL COSTS AND EXPENSES ASSOCIATED WITH THE TRANSACTION; AND (2) AUTHORIZING THE EXECUTIVE DIRECTOR TO ENGAGE CONSULTANTS TO COMPLETE THE DUE DILIGENCE AND ANALYSIS AND RETURN TO THE BOARD FOR APPROVAL OF IMPLEMENTATION OF THE REDEMPTION OR DEFEASANCE

WHEREAS, the Amended and Restated Joint Exercise of Powers Agreement dated December 16, 1996 (“JPA Agreement”) between the City of Oakland (“City”) and the County of Alameda (“County”) established the Oakland-Alameda County Coliseum Authority (“Authority”) whose powers are exercised by a Board of Commissioners (“Board”) appointed by the City and the County; and

WHEREAS, the Authority manages the Oakland-Alameda Coliseum Complex (the “Coliseum Complex”), which includes a stadium and an arena (the “Arena”), and assists the City and the County in financing of public capital improvements at the Coliseum Complex pursuant to the Marks-Roos Local Bond Pooling Act of 1985; and

WHEREAS, in 1996, the Authority issued its 1996 Variable Rate Lease Revenue Bonds (Oakland Coliseum Arena Project) Series A-1 and Series A-2 (the “1996 Bonds”) pursuant to a trust agreement dated June 1, 1996 to finance certain costs of remodeling the Arena; and

WHEREAS, the Authority refinanced the 1996 Bonds with the issuance of its Oakland-Alameda County Coliseum Authority Lease Revenue Bonds (Oakland Coliseum Arena Project) 2015 Refunding Series A in April of 2015 (the “2015 Bonds”); and

WHEREAS, the 2015 Bonds are scheduled to be fully repaid on February 1, 2026 (the “2015 Bonds Maturity Date”); and

WHEREAS, all other outstanding bonds of the Authority will be fully repaid on February 1, 2025 by the Authority; and

WHEREAS, the County has entered into an agreement with Coliseum Way Partners, LLC to sell its 50 percent undivided interest in the Coliseum Complex; and

WHEREAS, the City has entered into an agreement with Oakland Acquisition Company, LLC (“OAC”), to sell its 50 percent undivided interest in the Coliseum Complex; and

WHEREAS, the City of Oakland adopted the Coliseum Area Specific Plan, describing and authorizing development of uses at the Coliseum Complex, including sports, entertainment, housing, commercial, public facilities, and more; and

WHEREAS, the completion of the payment of the outstanding bonds on the Coliseum Complex is a vital step to the future revitalization and development of the site; and

WHEREAS, in order to accelerate payment of the 2015 Bonds prior to the 2015 Bond Maturity Date, the Authority desires to redeem or defease the 2015 Bonds, at a date that is not later than June 30, 2025, subject to completion of due diligence, evaluation and analysis by Authority staff, bond counsel, financial advisors and other consultants as necessary to complete the transaction, provided that OAC pays all costs and expenses related to the redemption or defeasance transaction; and

WHEREAS, engagement of bond counsel, financial advisors and other consultants or the incurrence of any costs related to the redemption or defeasance is conditioned on OAC entering into a written agreement with the Authority that will require OAC to pay any and all costs and expenses related to the transaction, including but not limited to, the costs of redemption or defeasance and the costs of all required advisors and consultants, without the use of any reserve funds held by the Authority and whether or not the transaction is completed; and

WHEREAS, the Coliseum Complex is readily accessible to the entire northern California region and beyond, via BART, an interstate freeway, the Amtrak/Capitol Corridor, and a nearby airport, and is in a designated Priority Development Area; and

WHEREAS, providing for revitalization and development, revenue to fund vital community needs, housing for the community and other facilities can be expedited by authorizing redemption or defeasance of the 2015 Bonds to enable more timely action on the development; and

NOW, THEREFORE, the Board of the Oakland-Alameda Coliseum Authority hereby resolves as follows:

That the Authority (1) authorizes the redemption or defeasance of the 2015 Bonds at a date that is not later than June 30, 2025, subject to completion of due diligence, evaluation and analysis by Authority staff, bond counsel, financial advisors and other consultants as necessary to complete the transaction, and subject to OAC entering into an agreement with the Authority that will require OAC to pay any and all costs and expenses associated with the transaction, as described herein, whether or not the transaction is completed; and (2) authorizes the Executive Director to engage consultants to complete the due diligence and analysis and return to the Board for approval of implementation of the redemption or defeasance.

PASSED AND ADOPTED by the governing Board of the Oakland-Alameda County Coliseum Authority, this ___ day of November 2024, by the following vote:

Ayes:

Noes:

Absent:

REBECCA KAPLAN, CHAIR

ATTEST:

SECRETARY