



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2013 OCT 10 PM 2:52

AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Fred Blackwell

SUBJECT: Coliseum City ENA Supplemental Report

DATE: October 10, 2013

City Administrator
Approval

Deanna Santana

Date

10-10-13

COUNCIL DISTRICT: Citywide

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 development.

ANALYSIS

At the October 8, 2013 meeting of the Community and Economic Development Committee, staff committed to providing additional information regarding possible terms and conditions to be included in the revised ENA, including deadlines for deliverables and details on possible termination clause language.

The latest set of proposed deliverables and their associated deadlines, as discussed at the CED Committee meeting, is included as *Attachment A* to this staff report.

The City has proposed the following termination clause (this is still under review by the developer):

If Developer has not provided any of the submissions described in the ENA or this Third Amendment, including without limitation those submissions set forth in Sections 2.9 through 2.18 of the ENA, inclusive, and evidence of admission of Colony Capital, LLC, as a member of Bay IG, within the time prescribed in the relevant section, then the City may terminate this ENA by providing 30 days written notice to Developer; provided that if Developer or any of its members has cured the failure within such 30-day cure period, then the ENA shall continue and shall not be terminated, and further provided that, as to those deliverables set forth in Sections 2.14 (as to assembly of City land) and 2.16 (as to the plan for relocation of utility lines) that depend on the cooperation of the City, Developer shall not be deemed to be in breach so long as Developer continues to cooperate in good faith with the City to produce the deliverable.

Item: _____
City Council
October 15, 2013

Other than clarifications identified in Attachment A and inclusion of proposed termination language, no modification were discussed at the October 8, 2013 CED Committee meeting.

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

Respectfully submitted,



Fred Blackwell
Assistant City Administrator

City of Oakland - Coliseum City ENA Amendment with Benchmarks and Delivery Dates

ENA Section	Coliseum City Amended ENA Benchmark	Number of Days	Date
1	The Negotiation Period under the ENA is hereby extended to run until October 15, 2014, or 30 calendar days after approval of the Final Environmental Impact Report for the Project by the Oakland City Council	*360	15-Oct-14
3	Bay IG, shall appoint an individual or corporate entity to supplement its resources, who shall be acceptable to the City in terms of having the requisite developer experience.	180	15-Apr-14
3	Bay IG shall submit all documents specified under Section 2.1(a) of the ENA regarding the organizational and financial status of Bay Investment Group, LLC, to the City within 30 calendar days of the date of this Third Amendment.	30	15-Nov-13
2.9	Bay IG on behalf of Developer shall prepare and submit to the City a detailed Market Data Analysis of the Project.		
	Phase 1:	120	15-Feb-14
	- Primary Research Consumer Focus - Narrow our premium assortment within the premium options.		
	- 1 on 1 Interviews Market Research - Narrow benefit streams within "best fit" product categories.		
	- Conjoint Market Research Analysis - Determine the potential supply and demand for products to reach statistically significant revenue forecast.		
	Phase 2:	150	15-Mar-14
	- Multiple Scenarios Site and Ancillary Development Impact Analysis		
	- Stadium Revenue Financial Model Analysis for Multiple Scenarios		
	Bay IG on behalf of Developer shall complete and submit an Investor Business Case for presentation to its investment partner(s) within two months of completion of the Market Data Analysis, which the City shall promptly review before distribution to the investment partner(s).	210	15-May-14
2.10.	Tenant Negotiations		

ENA Section	Coliseum City Amended ENA Benchmark	Number of Days	Date
	Within 30 calendar days of the date of the Third Amendment, Bay IG on behalf of Developer shall commence negotiations with the Oakland Raiders and the National Football League (NFL). Bay IG on behalf of Developer shall use good faith efforts to commence negotiations with the Oakland Athletics and Major League Baseball (MLB), and the Golden State Warriors and the National Basketball Association (NBA)	30	15-Nov-14
	Where appropriate, other major sports within 120 days of the date of the Third Amendment.	120	15-Feb-14
	Bay IG on behalf of Developer shall submit to the City a Letter of Interest to participate in the Project from at least one of the above-referenced sports teams.	*180	15-Apr-14
2.11.	Property Negotiations		
	Within 90 calendar days from the commencement of the Market Data Analysis, Bay IG on behalf of Developer shall commence negotiations with the City, the Oakland Redevelopment Successor Agency, the Port of Oakland, the County of Alameda, and the Coliseum Joint Powers Authority regarding disposition of property owned or controlled by each of them, the funding of infrastructure required for the development of the Site, and the treatment of existing debt on public land in Area A.	90	15-Jan-14
	Within 30 days of the date of the Third Amendment, the Parties shall mutually establish a set of commercial parameters for these negotiations.	30	15-Nov-13
2.12.	Investment Funding Process		
	Within 150 days from the date of the Third Amendment, Bay IG on behalf of Developer shall submit to the City a written plan describing the planned sources of investment equity for the initial phase(s) of the Project.	150	15-Mar-14
2.14.	Land Assembly		
	Within 120 calendar days from the date of the Third Amendment, Bay IG on behalf of Developer shall complete with City technical assistance and submit to the City, a land assembly strategy for the initial phase(s) of the Project.	120	15-Feb-14

ENA Section	Coliseum City Amended ENA Benchmark	Number of Days	Date
2.15	Public Benefits Analysis		
	Within 180 calendar days from the date of the Third Amendment, Bay IG on behalf of Developer shall submit to the City a public benefits analysis of the Project.	*180	15-Apr-14
2.16	Infrastructure Investment		
	Developer shall submit to the City a public infrastructure investment strategy.	120	15-Feb-14
	Developer and City shall work cooperatively to obtain an engineering and implementation study with respect to the relocation of PG&E lines on the Site.	*150	15-Mar-13
	Developer and City shall work cooperatively to develop other utility services and dependencies plans.	150	15-Mar-13
2.17	Contracting Plan		
	Developer shall submit to the City a contracting plan for the design and construction of the initial phase(s) of the Project, for which Developer shall provide additional details prior to the execution of the DDA.	220	15-Jul-14
2.18	Predevelopment Costs		
	Bay IG on behalf of Developer shall submit to the City a summary of predevelopment costs it anticipates for the remainder of the Negotiating Period.	30	15-Nov-13

* - denotes a benchmark delivery period which is under negotiation with development team as a result of the proposed termination clause.