





4/5/2024

Board of Supervisors County of Alameda Via email

Re: Lease Negotiations for 8000 S. Coliseum Way, Oakland (Malibu Lot)

Sale of 1220 and 1150 Harbor Bay Parkway, Alameda (Training Facility)

Honorable Members of the Board of Supervisors;

As you are aware, the County of Alameda, the City of Oakland, and Oakland Roots and Soul SC have been working together for many months on two transactions that will ensure Oakland Roots and Soul's ability to continue to grow as an anchor institution in the East Bay. We are writing to encourage the County to continue proceeding with these efforts with a sense of urgency and a problem-solving mindset.

- Ground Lease at Malibu Lot: We are nearing 6 months of negotiations on the terms of a ground lease for our proposed interim stadium on the Malibu lot, and are extremely concerned that the County's newly-changed position about selling the property without completing lease negotiations will severely jeopardize our ability to move ahead as planned. A more detailed outline of the issues and our concern follows.
- 2. Sale of the Training Facility: We have been meeting weekly on this transaction and over this time, the County Staff's perspective of the transaction has evolved to a point where we appear to be headed toward an impasse. We believe staff to be narrowly focused on one issue at hand, and as a result are disregarding a practical approach that would allow the transaction to move forward. Under separate cover, we will forward our analysis of the situation, highlighting where we differ on the interpretation of the applicable statutes that offer multiple paths forward. We hope the City and County can find a way to resolve the issue, as the inability to proceed as planned severely jeopardizes the Club's ability to operate, as well as the East Bay's chances of hosting a FIFA Men's World Cup competitor in 2026.
- 3. Roots & Soul Special Event License for 2025 at Oakland Coliseum: While not directly an actionable item for the County Board of Supervisors, we are excited about being able to continue the grand tradition of professional sports at the Coliseum and to be able to elevate Oakland Soul to become the first professional women's sports team in the East Bay. We look forward to finalizing the agreement with the Executive Director of the JPA once JPA Counsel provides comments on the agreement and playing in the Coliseum for the 2025 season.

As mentioned in Item #1 above, we have extreme concern over recent discussions relayed to us by County staff regarding the property co-owned by the County and the City of Oakland, known as the Malibu lot. As you are aware, this property is the subject of a proposed ground lease with the Oakland Roots and Soul, pursuant to the resolution the Board passed on September 19, 2023.

On September 19th, the Board unanimously authorized County staff to negotiate and execute an Exclusive Negotiating Agreement, and to negotiate the terms of a ground lease for subsequent consideration by the Board of Supervisors. Such a lease would enable Oakland Roots and Soul to build







an interim stadium, and continue to grow its impact as an anchor institution in the area by expanding our game day capacity, and creating a community asset in East Oakland. According to the County <u>staff report introducing and recommending the action dated September 13th</u>, "The temporary use by OPS of the currently vacant Malibu Property will enhance the site and bring vibrant opportunities for community gatherings, which meets the 10X goal pathway of Accessible Infrastructure in support of our shared vision of a Prosperous and Vibrant Economy."

Over the approximately 5.5 months of the ENA period, Oakland Roots and Soul have completed the milestones required in the ENA, including advancing project design, CEQA analysis and planning approvals, and engaging in community outreach. We have been meeting weekly with the City and the County, and have come to agreement with City and County staff on the major lease terms, including paying a market lease amount. We are currently awaiting a final draft term sheet to be issued by the City of Oakland and County of Alameda, in their role as co-owners of the property. Given that the initial 6 months ENA term is about to expire, we have formally requested a 6 months extension to continue negotiations.

We understand that the County has initiated the process of establishing its ownership share of the subject property as "surplus," in accordance with the State of California's Surplus Lands Act. Further, we understand that the County now has adopted the intention of proceeding to dispose of its share of the property as early as April 16th. While we appreciate the County's desire to ultimately dispose of the property, we ask that the disposition process be postponed until a lease, as contemplated by the Board's action on September 19th, has been negotiated between staff and with the Oakland Roots and Soul, and formally considered by the Board. We request this course of action for the following reasons:

- The Club's situation has not changed since the Board originally authorized staff to proceed with ENA and lease negotiations. We still need an interim location that would allow the Club to increase its capacity and to control enough dates to elevate the Soul to professional status while we search for a permanent home. This interim stadium project is critical to the Club's long term viability;
- 2. Based on the Board's support for the concept of such a lease, and with the County staff's support (as evidenced by their signing of our applications), we have initiated and have continued to actively advance design. We have worked closely with City of Oakland staff to shepherd the CEQA and planning approval processes for the proposed project through the City of Oakland. We are also actively engaged with other agencies having jurisdictional oversight including BCDC, Army Corps of Engineers, EBMUD, PG&E and the Alameda County Department of Environmental Health. In other words we have made significant progress toward making the project proposal a reality; and
- 3. If the County were to dispose of the property prior to completion of a lease, it would create an enormous amount of uncertainty about our ability to proceed with an interim stadium as contemplated. Based on our discussions with staff, we believe we have a fundamental agreement on the terms of a lease. If the County were to proceed with disposition now, we do not see any path which would allow Oakland Roots and Soul to start construction of the interim stadium on schedule. Whether starting over with a new buyer entity, OR waiting until the County completes its disposition, either path would stall our progress, which in turn seriously threatens our ability to persist.







We have expended significant time and financial resources to move this project forward in good faith, relying on the presumption that the County supported the concept of leasing the property to Oakland Roots and Soul as evidenced by its vote in September of last year. We have community and key stakeholder support for all of our efforts to ensure the teams can play in Oakland. We believe that proceeding with disposition of the County's share before a lease has been executed would seriously jeopardize our ability to achieve the goals we have for the Club and the community.

We therefore encourage the County to continue to honor its expressed support of the concept of a lease to Oakland Roots and Soul at the Malibu site, and postpone any action to dispose of the property until after lease terms have been negotiated by staff and formally considered by the Board.

We appreciate the County Board of Supervisors' general support of the positive impact the Oakland Roots and Soul are trying to make in the community and its initial actions to help facilitate a long term home for both game day and training. Given the time we all have invested, along with our shared vision for the community, we urge the parties to collectively lean forward and finalize these transactions so we can look past the "transaction" and dream big about launching the next phase of the East Bay's legacy of community based sports and civic pride.

To the extent questions still exist about the appropriate path forward, we urge a meeting as soon as possible with County staff and members of the Board, along with City staff and members of the City Council to discuss and hopefully come to a resolution that works for all.

Sincerely,

Lindsay Barenz

President

Oakland Roots and Soul Sports Club

Lydia Tan

Chief Real Estate Officer

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Oakland Roots and Soul Sports Club

CC:

Steven Aldrich, Oakland Roots and Soul Sports Club Mayor Sheng Thao, City of Oakland City Council, City of Oakland Susan Muranishi, Alameda County