



Oakland-Alameda County  
Coliseum Authority

**OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY**

BOARD OF COMMISSIONERS  
ORACLE ARENA PLAZA CLUB  
7000 COLISEUM WAY  
OAKLAND, CA 94621

Friday, September 21, 2018  
8:30 a.m.

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF MINUTES
4. OPEN FORUM
5. REPORTS
  - 5a. Executive Director's Report
  - 5b. General Manager's Report
6. NEW BUSINESS
  - 6a. RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A CONTRACT WITH ORRICK, HERRINGTON & SUTCLIFFE LLP TO ANALYZE TAX IMPLICATIONS OF THE OAKLAND COLISEUM 2012 TAX EXEMPT BONDS
7. CLOSED SESSION
  - 7a. Existing litigation pursuant to Government Code Section 54956.9(a):  
*-Oakland-Alameda County Coliseum Authority v Golden State Warriors, LLC, Arbitration Demand and Counterclaim*
  - 7b. Pursuant to California Government Code Section 54956.8:  
CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
  
Property: 7000 Coliseum Way Oakland, CA 94621  
Agency Negotiator: Scott McKibben, Executive Director Oakland Alameda County Coliseum Authority  
Negotiating Parties: Mark Davis, Principal Owner and Managing Partner, Oakland Raiders  
Under Negotiation: Price and terms of payment for license agreement extension
8. REPORT FROM COUNSEL ON CLOSED SESSION
9. ADJOURNMENT



Oakland-Alameda County  
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Oakland-Alameda County Coliseum Authority  
July 28, 2018  
Special Meeting Minutes

**CALL TO ORDER**

Chair Miley called the meeting to order at 8:35 a.m.

**ROLL CALL**

Chair Miley	Vice Chair Reid
Commissioner De La Fuente	Commissioner Hill
Commissioner Dobbins	Commissioner Lee
Commissioner Haggerty	Commissioner McElhaney

**APPROVAL OF MINUTES**

The Oakland Alameda County Coliseum Authority minutes for April 20, and June 28, 2018 were submitted for approval. Commissioner Dobbins moved to approve the minutes and Commissioner De La Fuente seconded the motion. The minutes were approved by consensus

**OPEN FORUM**

No Speakers

**REPORTS**

5a. Executive Director, Scott McKibben reported on Capital Projects: The Boiler, Chiller, Arena Window Project, Sub Floor and Parking Lot repairs. Update on the XFL Football League was included in the ED report.

5b. General Manager, Chris Wright reported on the success of past events and updated the Board on exceptional upcoming events.

**NEW BUSINESS**

6a. Melissa Wilk reported to the Board the reason for the Budget Adjustment Request for FY 2017-18. Commissioner Haggerty request the all revenues and expenses is reported to the Board. ED Scott McKibben agreed the Board will receive a summary of year end budget report of the net revenue. Commissioner Haggerty moved to approve the Budget adjustment request for FY2017-18 and Commissioner Dobbins seconded the motion. Motion was approved by consensus. Commissioner McElhaney request full presentation of financials and Ms. Wilk's agreed to provide to the Board.

6b. The proposed Budget for the Authority's Fiscal year 2018-19 was submitted for approval. Commissioner Haggerty moved to approve and Commissioner Dobbins second the motion. Motion was approved by consensus.

6c. Discuss and Provide Direction to Staff for Drafting a Response to the 2017-2018 Alameda County Grand Jury Report Titled "Coliseum Ticket Bonanza". The Commissioners discussed the Grand Jury Report and agreed to create a sub-committee of 5 participants to review past and create new practices for ticket distribution. The Board agreed, Commissioners, Haggerty, Dobbins, Hill, McElhaney, and ED Scott McKibben and one outside party will be participants on the committee. Commissioner Hill suggested to ask the grand Jury for an extension to the date to respond.

**CLOSED SESSION**

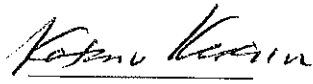
The Board moved to closed session at 9:17a.m.

**REPORT FROM COUNSEL ON CLOSED SESSION**

There was no reportable action from closed session

**ADOURNMENT**

Meeting adjourned at 10:20a.m.

A handwritten signature in cursive script, appearing to read "Katano Kasaine", written in black ink.

Katano Kasaine/ Secretary

# **Executive Director's Report**

## **OACCA**

**September 21, 2018**

### **Capital Projects Update**

- The new boiler for the arena has been installed and on line. We are still in the process of dismantling and removing the old boiler.
- The new chiller unit has been successfully installed. Due to the large size it has allowed us to not have to utilize the older chillers, which saves us money on our energy cost.
- We are in the process of receiving final bids for the replacement of the freeway marquee. We are trying to move this project along as fast as possible due to the condition of the existing board.
- We continue with additional parking lot repair work; the focus is on the south lots which are in the worst condition.

### **A's Stadium /Coliseum Project**

We have been in discussions with the A's for some additional capital improvement projects for the Coliseum. The focus on these improvements is to enhance the fan experience while attending a game or event.

The improvements include 8 theater seating boxes, additional drink rails, lounge seats, terrace tables and 2 private bar areas. HOK is overseeing the design and ADA compliance.

These improvements will be a great addition for the Authority/ AEG events in terms of enhancing the fan's social experience while attending an event. It also provides an upselling opportunity to premium seating areas.

Total project cost will be approximately \$2 million and will be paid in full by the A's.

### **Ticketing Committee**

At the direction of the JPA Board we are assembling an AD HOC committee to address the Alameda Grand Jury's report on the distribution of tickets to games and event.

The committee will comprise of 4 Board members and 3 others of which one will be the Executive Director of the Authority,

The first meeting will be held in the next couple of weeks and our official response to the Grand Jury is due in January 2019.



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## STAFF REPORT

September 21, 2018

### **Item 6a RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A CONTRACT WITH ORRICK, HERRINGTON & SUTCLIFFE LLP TO ANALYZE TAX IMPLICATIONS OF THE OAKLAND COLISEUM 2012 TAX EXEMPT BONDS**

**Background.** The historic Oakland Coliseum bonds were refunded in 2012 with tax exempt bonds. These tax-exempt bonds placed certain restrictions on the Authority to generate private revenue. More specifically, under the tax covenants for the bonds, the present value of the "Net Annual Private Payments" received by the Authority may not exceed 10% of the proceeds of the Bonds (less certain amounts). If such threshold is exceeded, the Authority must redeem the Bonds or defease the Bonds to their first optional redemption date within 90 days.

**Proposal.** The Oakland Raiders have proposed a potential two-year license extension, which may generate significant private revenue to the Authority. While the Authority has incurred since 2012 overall net financial losses for the Coliseum operations, when debt payments are factored, further legal analysis is necessary to determine the tax implications, if any, of the proposed license extension. Even if the Authority elects not to proceed with the proposed Raiders' license extension, this analysis will be beneficial to evaluate future revenue generating opportunities at the Oakland Coliseum.

**Recommendation.** Staff recommends that Orrick, Herrington & Sutcliffe LLP, firm engaged by the Authority for the 2012 bond financing, be reengaged on an hourly basis for the limited purpose of providing a tax opinion to the Authority on this issue. Tax counsel from the firm will need to review the facts of the proposal and payments associated with the Oakland Coliseum in order to provide an opinion that the private use limitation will not be triggered by the proposal and what income private revenue capacity exists for the Authority for this asset until this bond series is either refinanced or defeased.

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Scott McKibben  
Executive Director

OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY

RESOLUTION NO. 2018-\_\_

**RESOLUTION AUTHORIZING THE RETENTION OF THE LAW FIRM OF ORRICK, HERRINGTON & SUTCLIFFE, LLP TO PROVIDE LEGAL SERVICES FOR THE OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY FOR TAX ANALYSIS RELATED TO THE OAKLAND COLISEUM 2012 TAX-EXEMPT BONDS**

**Whereas**, the Oakland-Alameda County Coliseum Authority ("Authority") was created and established by a Joint Exercise of Powers Agreement, dated as of August 2, 1990, as amended and restated by an Amended and Restated Joint Exercise of Powers Agreement by and between the City of Oakland ("City") and the County of Alameda ("County") dated as of December 17, 1996 (collectively, "JPA Agreement"); and

**Whereas**, the Authority is negotiating with the Oakland Raiders for a potential extension of its rights to use the Oakland Coliseum for up to two years, pursuant to which the Authority would generate private revenue ("Raiders Extension"); and

**Whereas**, the renovation of the Oakland Coliseum was refinanced by a 2012 tax-exempt bond series ("Tax-Exempt Bonds"); and

**Whereas**, section 4(D)(6) of the JPA Agreement provides as follows: "[T]he City Attorney of the City and the County Counsel of the County shall act jointly as the legal advisor of the Authority and shall perform such duties as may be prescribed by the Commission. They shall have the right to recommend the retention of outside counsel to represent the Authority or provide advice on matters, as appropriate."; and

**Whereas**, pursuant to the JPA Agreement the City Attorney and County Counsel (collectively, "Authority Legal Advisor") recommend that the Authority Board retain outside counsel to assist with the provision of legal services to the Authority to perform analysis of the tax implications, if any, of the Raiders Extension or other private revenue generating opportunities at the Oakland Coliseum; and

**Whereas**, the Authority Board wishes to retain the law firm of Orrick, Herrington & Sutcliffe LLP ("Outside Counsel") to assist with the provision of such legal services.

**NOW THEREFORE**, be it:

**RESOLVED**: that the Authority Board authorizes retention of Outside Counsel to assist the Authority with providing legal services to analyze the tax implications, if any, of the Raiders Extension or other private revenue generating opportunities at the Oakland Coliseum; and be it

**FURTHER RESOLVED**: that the proposed Agreement between the Authority and Outside Counsel shall provide : (1) a one-year term of September 21, 2018 through September 21, 2019, subject to the Authority's right to extend the Agreement on the same terms of the proposed Agreement for additional one-year terms or such other

time frame as the Authority determines in its sole judgment and discretion; (2) that the scope of services to be provided by Outside Counsel to the Authority is to perform analysis of the tax implications, if any, of the Raiders Extension or other similar revenue generating opportunities at the Oakland Coliseum; (3) shall be compensated at the hourly rates as attached hereto as Attachment 1; and (4) for other terms and conditions that are not inconsistent with the foregoing provisions; and be it

**FURTHER RESOLVED:** that the Executive Director of the Authority and Authority Legal Counsel are authorized to negotiate the aforesaid Agreement consistent with the terms set forth in this Resolution, and be it

**FURTHER RESOLVED:** that the Executive Director hereby is authorized to execute the Agreement in accordance with the terms specified in this Resolution, upon approval as to form and legality by the Authority Legal Counsel.

**PASSED AND ADOPTED** by the governing board of the Oakland-Alameda County Coliseum Authority, this 21st day November, 2018, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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Nate Miley, Chair  
Oakland-Alameda County  
Coliseum Authority

Attest: \_\_\_\_\_  
Secretary  
Oakland-Alameda County  
Coliseum Authority