



OAKLAND ATHLETICS & CITY OF OAKLAND MLB STADIUM DEVELOPMENT

PRESENTATION OF TERMS

MAYOR SHENG THAO
51ST MAYOR OF THE CITY OF OAKLAND

JULY 9, 2023



THE HONORABLE SHENG THAO • MAYOR OF OAKLAND

July 9, 2023

Dear Commissioner Manfred,

I want to begin by expressing my sincerest appreciation for your willingness to meet with me in person to discuss next steps in the relationship between the City of Oakland, Major League Baseball (MLB) and the Oakland Athletics (A's).

Although it is my understanding that the A's and MLB are currently focused on relocating the team from its longtime Oakland home to Las Vegas, I thought it best to reach out to you directly to share my perspective on where things stand in Oakland. As MLB and the relocation committee approach the very consequential vote that will determine the future of the A's in Oakland, I wanted to personally ensure that we have an open line of communication and that you have direct access to all of the relevant information that you will need to make an informed decision.

Based on your recent comments, I fear that there may be certain misperceptions about the status of the A's proposed project at Howard Terminal. By way of this letter and its attachments, I want to make it clear to you, MLB, the relocation committee, and the owners of the other 29 teams that Oakland very much had a specific and concrete proposal on the table, we had a detailed and mutually agreed upon plan and schedule, and after two years of negotiations, we were, I believe, extremely close to finalizing a deal with the current ownership of the A's.

First, there most certainly is a site for a stadium in Oakland – and detailed plans for that site. At Howard Terminal, the A's proposed a total of approximately six million square feet of new development on approximately 55 acres of public land located on Oakland's waterfront, with sweeping views of the San Francisco skyline. In addition to a privately-owned and operated ballpark with capacity for 35,000 fans, the A's proposed project would including 3,000 residential units and more than 1.5 million square feet of commercial space.

Plans for this new "Waterfront Ballpark District" were developed by the A's and their design team over several years and submitted to the City for review. In fact, the plans have gone through multiple rounds of review (as is typical for any large development project) and are ready to proceed to public hearings. The City maintains a robust webpage for the Project, where the A's most recent plan submittals are available to you and the public on an ongoing basis. For your convenience, the plans are also attached for your review.

Second, it is not an accurate statement that there was no offer from Oakland. Oakland has made the A's multiple offers over the last several years, at both the Coliseum and Howard Terminal. All have been rejected, despite the fact that Oakland's current offer includes more money for both onsite and offsite infrastructure than the A's themselves requested.

The City has persevered in its pursuit of a deal to keep the A's in Oakland despite numerous pivots from the A's ownership group, from Fremont, to San Jose, to redevelopment at the Coliseum, to Laney College; and finally to Howard Terminal fewer than 5 years ago, where the A's ownership elected to pursue millions of square feet of residential, commercial and retail space, expanding the scope of the project well beyond what is proposed in Las Vegas.

Finally, I am compelled to address some of your recent comments about attendance. It's true that attendance has remained depressed in Oakland post-pandemic – but I don't think that would be shocking to anyone who has witnessed the incredible underinvestment in the team during this period. As we saw in 2019, when the A's were competitive, the fans turned out. This lack of investment is, I believe, a disservice to the team, the league, and baseball fans everywhere.

Despite this chronic underinvestment, a near doubling in season ticket prices – and despite the ownership group making it very apparent that they were looking to leave – the fans organized something remarkable. The reverse boycott amply demonstrated just how deep the bond is between this team and this city. Frankly, the fans themselves did what the A's current owners have chosen not to do for the last few years. They packed the stadium. And if the A's remain rooted in Oakland with a committed ownership team, I can promise you, the fans will keep showing up.

Despite everything that has happened, I want to be 100% clear – **I want the Oakland Athletics to stay in Oakland.**

California is united on this topic – everyone from our City Council to the Governor to California's delegation in Washington has weighed in, not just with their words, but with legislative actions and infrastructure dollars.

If you have any questions about Oakland's commitment, or what Oakland is willing to do, please bring them to me directly. My intention is to provide complete transparency to you and to the other 29 MLB owners, as well as to the public, about how we got here.

Until there is an actual shovel in the ground in Las Vegas, we will not stop trying to keep the team where they belong – in Oakland. I'm sure Las Vegas would be perfectly happy with an expansion team and the A's would look forward to hosting them at a game right here in Oakland.

I appreciate you sharing this information with all of the MLB owners, so that they, too, are in a position to make an informed decision on the proposed relocation of the A's.

Sincerely,

A handwritten signature in black ink that reads "Sheng Thao". The signature is fluid and cursive, with the first name "Sheng" and last name "Thao" clearly legible.

Mayor Sheng Thao
City of Oakland

Summary of Negotiation Timeline

Negotiations under the previous administration

- For the last 10 years, the City of Oakland has done everything in its power to respond to the evolving needs of the A's owners.
- 10 years ago, the A's were just beginning to turn their attention back to Oakland after a decade spent chasing deals in Fremont and San Jose. As you know, the latter effort was pursued all the way to the United States Supreme Court, and only finally resolved about 8 years ago, in 2015.
- When the A's did begin to focus on Oakland, their focus (and that of then-Commissioner Bud Selig) was on the Coliseum.
- To make a new ballpark at the Coliseum possible, in 2014 and 2015, the City adopted a new master plan and certified an EIR for the approximately 120-acre property, which to this day would allow for up to three separate major league sports facilities to be built on that property, including a new MLB ballpark.
- While the City laid the groundwork for the A's to build a new ballpark at the Coliseum, the A's spent a year "studying" the viability of the Coliseum, Howard Terminal, and a new contender – Laney College.
- The A's subsequently announced their choice of Laney College – much to the surprise of the City and Laney College Board, who had not been engaged by the A's, and declined to pursue the deal. As I recall, you characterized this as a "misstep" on the part of the A's at the time.
- It was actually fewer than 5 years ago that the A's turned their focus to Howard Terminal. Since that time, the City has bent over backwards to accommodate the A's and their desire to build a 6-million square foot ground up mixed-use mega development on one of the most complicated and challenging sites in the Bay Area – an effort they insisted on undertaking on their own, despite their lack of development experience.
- In these past 5 years, the City:
 - Sponsored three pieces of state legislation to facilitate the project, all of which were signed into law
 - Passed a term sheet fewer than 90 days after the A's finally presented their 1-page financial plan for the project in April 2021 – not to City negotiators, but to the press
 - Agreed to form an Enhanced Infrastructure Financing District over the project site, and worked with Alameda County to increase the district's bonding capacity by more than 70%
 - Agreed to fund the A's estimated \$360 million in offsite infrastructure costs – and secured more than \$425 million in funding and stood up an entirely new City division to make it happen
 - Completed, certified, and successfully defended in both the trial and appeals courts the project's 10,000-page Environmental Impact Report – removing most of the risk from the project's remaining approvals
 - Secured a 23-2 approval from the Bay Conservation Development District after the A's failed to do so in an earlier committee vote
 - Offered to sell the City's 50% interest in the Coliseum site to the A's on similar terms to those between the A's and Alameda County

Negotiations under Mayor Thao's Administration

- It became clear to Mayor Thao shortly after taking office in January 2023 that negotiations between the City and A's had reached an impasse
- Like her predecessor, Mayor Schaaf, Mayor Thao very much values having the A's in Oakland, and so she made breaking this impasse a priority early in her term.
- Within her first month in office, Mayor Thao invited the A's ownership to City Hall to meet and discuss next steps. Dave Kaval, John Fisher and the Mayor (along with the City's senior project team) met in person in the Mayor's office on February 6, 2023.
- At that meeting, the City proposed engaging a mediator, Steve Kawa, former chief of staff to three San Francisco mayors (including Governor Gavin Newsom) to help facilitate a mutually acceptable resolution of the outstanding issues.
- Steve is not someone with whom the City had any prior relationship. He was selected and recruited in large part because of his relevant experience and long relationship with the Fisher family.
- After three years of difficult negotiations, the relationship between the City and A's had become strained. Mayor Thao felt we needed a "clean slate" and wanted to approach the relationship as true partners.
- The Mayor was optimistic that Steve would help achieve a more productive dialogue, acting as an "honest broker" who could be trusted and respected by both sides.
- This suggestion was met with an enthusiastic response from the A's, and both parties agreed to conducting the mediation out of the public eye.
- Following multiple weeks of direct negotiation between City staff and A's leadership, Dave shared with the Mayor that the team had made a "binding" land deal in Las Vegas and intended to focus their efforts on moving the team to Las Vegas.
- At that time, Mayor Thao instructed City staff to step away from negotiations.
- Below is a summary of the transaction documents and terms as they were drafted at the time that negotiations ceased in April of this year (updated to reflect the additional \$49.5 million secured by City and Port for infrastructure construction this quarter).
- The Mayor continues to believe a new, waterfront ballpark in Oakland best serves the interests of Major League Baseball, the other 29 team owners, the City of Oakland, the fans and the A's ownership group.