



Oakland-Alameda County
Coliseum Authority

OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY
Special Zoom Meeting

You are invited to a Zoom webinar.

When: Jul 30, 2021 08:30 AM Pacific Time (US and Canada)

Topic: OACCA Special Board Meeting 7.30.21

Please click the link below to join the webinar:

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NOTICE AND AGENDA
BOARD OF COMMISSIONERS
July 30, 2021
Friday, 8:30 a.m.

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **OPEN FORUM**

4. **NEW BUSINESS**

4a. A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A NON-BINDING TERM SHEET WITH THE AFRICAN AMERICAN SPORTS AND ENTERTAINMENT GROUP, LLC, ESTABLISHING GENERAL TERMS OF A LICENSE AGREEMENT FOR THE USE OF THE OAKLAND-ALAMEDA COUNTY ARENA BY A FUTURE LOCAL TEAM TO BE AFFILIATED WITH THE PROFESSIONAL WOMEN'S BASKETBALL LEAGUE KNOWN AS THE WOMEN'S NATIONAL BASKETBALL ASSOCIATION

5. **Closed Session**

5a. Property: Oakland-Alameda County Arena located at 7000 Coliseum Way, Oakland CA

Authority Negotiators: Henry Gardner, Bijal Patel and Andrea Weddle

Negotiating Parties: African American Sports and Entertainment Group, LLC

Under Negotiation: Price and terms of payment, or both, for the license of the property

6. **REPORT FROM COUNSEL ON CLOSED SESSION**

7. **ADJOURNMENT**

OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY

RESOLUTION NO. 2021-___

A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF A NON-BINDING TERM SHEET WITH THE AFRICAN AMERICAN SPORTS AND ENTERTAINMENT GROUP, LLC, ESTABLISHING GENERAL TERMS OF A LICENSE AGREEMENT FOR THE USE OF THE OAKLAND-ALAMEDA COUNTY ARENA BY A FUTURE LOCAL TEAM TO BE AFFILIATED WITH THE PROFESSIONAL WOMEN'S BASKETBALL LEAGUE KNOWN AS THE WOMEN'S NATIONAL BASKETBALL ASSOCIATION

WHEREAS, the Oakland-Alameda County Coliseum Authority ("Authority") is a joint powers authority vested with the authority to manage and operate the approximately 112 acres of land in the City of Oakland commonly known as the Oakland-Alameda County Coliseum Complex, consisting of the RingCentral Stadium, the Oakland-Alameda County Arena ("Arena") and related parking and other facilities; and

WHEREAS, the Arena is a first-class sporting facility that formerly was the home of the Golden State Warriors basketball team; and

WHEREAS, the African American Sports and Entertainment Group, LLC ("AASEG") is in the process of submitting a formal proposal to the professional women's basketball league known as the Women's National Basketball Association ("WNBA") to acquire the franchise rights to create, own and operate an expansion team that will be based in the City of Oakland and will represent the entire San Francisco Bay Area region; and

WHEREAS, AASEG has expressed interest in negotiating with the Authority a license agreement ("License") that would grant AASEG the right to occupy and use the Arena for this future WBNA franchise team, including, without limitation, the right to broadcast home games during each year of the License term, conduct practice sessions, and hold certain events for fan generation / appreciation or sponsorship and business development; and

WHEREAS, AASEG desires to create the team and secure the requisite rights in sufficient time to participate in the 2022 WNBA season; and

WHEREAS, on June 16, 2021 the Authority's Board of Directors ("Board") authorized the Executive Director to negotiate a non-binding term sheet with AASEG, including the price, terms of payment and other requirements of the proposed License; and

WHEREAS, the Executive Director has completed negotiations of the non-binding term sheet with AASEG and seeks a formal action by the Board approving the Terms Sheet and authorizing the Executive Director to commence negotiations of the License Agreement; and

NOW THEREFORE BE IT RESOLVED that Board does hereby approve and authorize the execution of the Non-Binding Term Sheet with the African American Sports and Entertainment Group, LLC, a copy of which is attached to this Resolution as **Exhibit A**; and

BE IT FURTHER RESOLVED that this action is for approval of a non-binding term sheet only, does not result in any discretionary approval or grant vested development rights, and does not commit the Authority to any definite course of action; accordingly, this action does not constitute a “project” under CEQA Guidelines 15378 and is only a preliminary agreement of terms under CEQA Guidelines 15004(b).

PASSED AND ADOPTED by the governing board of the Oakland-Alameda County Coliseum Authority, this 30th day of July, 2021, by the following vote:

Ayes:

Noes:

Absent:

NATE MILEY, CHAIR

ATTEST:

SECRETARY

Non-Binding Term Sheet for WNBA at the Oakland Arena

This Non-Binding Term Sheet, dated as of the 30th day of July 2021 (the “**Effective Date**”) is intended to express some of the proposed terms of a future transaction by and between the **Oakland-Alameda County Coliseum Authority** (“**Authority**” or “**JPA**”) and the **African American Sports and Entertainment Group, LLC** (“**AASEG**”), pursuant to which the Authority would license the Oakland-Alameda County Arena (“**Oakland Arena**”) to AASEG for a women’s professional basketball team (the “**Oakland WNBA Team**”) to play their home games at the Oakland Arena.

Concept	Description
1. Parties, Use and Intent	<p>This non-binding term sheet (“Term Sheet”) sets forth the terms upon which the Authority and the African American Sports and Entertainment Group, LLC (“AASEG”), which is comprised of Loop Capital, SUDA, LLC, 360 Total Concept, and The Robert Bobb Group, would negotiate a license agreement (“License Agreement”) to allow a women’s professional basketball team (the “Oakland WNBA Team”) to play all of their Home Games (as defined below) at the Oakland Arena. AASEG is submitting a formal proposal to the WNBA for a WNBA expansion team to be based in the City of Oakland and represent the Bay Area region.</p> <p>The City of Oakland (“City”) and County of Alameda (“County”) jointly own the property known as the Coliseum Complex, including the Oakland Arena and the RingCentral Coliseum. The Authority has the right to operate and manage the Oakland Arena, Coliseum parking areas, and related roadways and other Coliseum Complex facilities. The Authority has the right to negotiate and enter into the proposed License Agreement, subject to the acknowledgment and formal approvals by the City and County, as the owners of the fee interest in the real property comprising the Coliseum Complex.</p> <p>AASEG is proposing to enter into the final License Agreement at the Oakland Arena, within sufficient time to secure the calendar dates that initially correspond to the 2022 WNBA season. The purpose of this Non-Binding Term Sheet is to assist the AASEG and its related partners in securing the Oakland WNBA Team.</p>

Concept	Description
2. Transaction Description	If consummated by negotiation and execution of a License Agreement, the Authority will grant to the AASEG the right to occupy and use the Oakland Arena premises for the following purposes: the presentation and broadcasting of all Oakland WNBA Team Home Games during each year of the Term of the License Agreement; and, for Oakland WNBA Team game day practice sessions, subject to the conditions in the License Agreement.
3. Dates and Length of Term	<p>The Authority and AASEG will negotiate the term of the future License Agreement and will endeavor to reach agreement with all interested parties of a five (5) year term.</p> <p>The effectiveness of any future License Agreement will be contingent upon: 1) AASEG being granted approval of an expansion or relocated franchise by the WNBA at the Oakland Arena; and 2) formal approval of the Authority Board of Directors, City Council and County Board of Supervisors.</p>
4. License Fee and Expense Reimbursement	<p>AASEG will be required to pay to the Authority the sum of Eleven Thousand Dollars (\$11,000) for each Home Game to be played in the Oakland Arena, a fixed fee of Seventy-five Thousand Dollars (\$75,000) for Front of the House staffing for each game to be played in the Oakland Arena, and shall fully reimburse the Authority for all other expenses incurred by the Authority for or related to WNBA games in the Oakland Arena (collectively, the "License Fee"). The Front of House staffing fee will be increased annually based upon then current labor expenses.</p> <p>AASEG will be required to deposit and maintain with the Authority the sum of Two Hundred Thousand Dollars (\$200,000) as an "Advance Deposit." The Authority will be entitled to off-set unpaid rent, fees or for expenses against the Advance Deposit. AASEG will be required to replenish the Advance Deposit on a regular basis.</p>
5. Parking Revenue	The License granted to AASEG will not include the Coliseum Complex parking areas; provided, however, that the License Agreement will require the Authority to make the parking area available for the non-exclusive use of attendees at WNBA Home Games. The Authority and AASEG will share in the net parking revenue generated by attendees at WNBA Home Games with sixty percent (60%) of net parking revenue allocated to the Authority and forty percent (40%) of net parking revenue allocated to AASEG. The current parking rate is \$40 per vehicle.

Concept	Description
6. Food and Beverage (Concessions) Revenue	The Authority has and will retain exclusive control over the provision of all food and beverage (concessions) in the Oakland Arena; provided, however, that the License Agreement will require the Authority to provide concessions during WNBA Home Games and the Authority and AASEG will share in the net concessions revenue generated by attendees at WNBA Home Games with sixty percent (60%) of net concessions revenue allocated to the Authority and forty percent (40%) of net concessions revenue allocated to AASEG. .
7. Basketball Court / Facility Conversions	AASEG will be required to reimburse the Authority for costs incurred in converting the facility from or to a basketball court/facility from or to any other use. The initial conversion fee will be Thirty-three Thousand Dollars (\$33,000) for a full conversion and Sixteen Thousand Five Hundred Dollars (\$16,500) for a one-half or one-way conversion. The conversion fee will be increased annually based upon then current labor expenses.
8. Luxury Suites	<p>Excluding the luxury suites assigned to the Authority, the City and the County and to the extent the Authority or its designated agent has not previously licensed them to other users, AASEG will have the opportunity to license luxury suites from the Authority, or its designated agent, and re-sell them to the general public solely for WNBA Home Games in the Arena at a premium price. AASEG may retain all profits from the premium (re-sell) suite price.</p> <p>AASEG will provide complimentary tickets for all WNBA Home Games to the Authority, City and County for each of their respective luxury suites.</p>
9. Tickets	<p>AASEG will be responsible for selling, printing, and distributing tickets for all Home Games and may retain all revenue derived from such ticket sales; provided, however, that AASEG will be required pay a facility fee of five percent (5%) of gross ticket proceeds and a City of Oakland business license tax (currently .45%) on gross ticket proceeds.</p> <p>AASEG will be required to collect and account for the ticket receipts and deliver to the Authority or its designee a box office statement showing the number of tickets distributed for each game, by price category, and certified as to accuracy by an authorized employee or agent of AASEG.</p> <p>AASEG will be required to reimburse the Authority or its agent for all credit card fees assessed on tickets sold through the Oakland Arena primary box office.</p> <p>AASEG will be allowed to retain all net convenience charges from selling tickets on their or the WNBA's ticket platform.</p>

Concept	Description
10. Event Settlement	Within five (5) calendar days after each WNBA Game, the Authority or its designee and AASEG will settle all financial elements of that WNBA Game, including any conversion expense incurred and the transfer of funds.
11. Sponsorships	<p>AASEG will receive and retain all (100%) revenue on sponsorships sold by AASEG on the internal Oakland Arena electronic signage (i.e., the ribbon board and scoreboard) for WNBA Home Games only.</p> <p>AASEG and the Authority will equally divide (each receiving 50%) of gross revenue on sponsorship sold by AASEG on the internal Oakland Arena fixed signage inventory, if any is available.</p> <p>AASEG shall not have any sponsorship rights on the external façade of the Oakland Arena, any common areas/parking within the Coliseum Complex or naming rights for the Oakland Arena.</p>
12. Merchandise	AASEG will receive and retain all (100%) net commissions on sales of WNBA merchandise.
13. Schedule	The parties agree to work towards negotiations and execution of a License Agreement with the goal of both parties reaching agreement on final terms and presenting such License Agreement to the Authority Board and City and County legislative bodies for approval.
14. Open Issues	The parties recognize and acknowledge that a number of issues and details of the License Agreement are not addressed or not fully addressed in this Term Sheet and remain open to future negotiations, including but not limited to the following: insurance, indemnification, dispute resolution, suite premiums, exclusive and non-exclusive areas, equipment and fixtures, licensee parking, scheduling of games and practices, hours of operation, ticket operations, activation services, utilities, maintenance obligations, end of term surrender of premises, and return to neutral obligations.
16. Counterparts	This Term Sheet may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Term Sheet. This Term Sheet may be executed by facsimile and/or .pdf signatures which shall be binding as originals on the Parties.
17. Expenses	Each party shall be responsible for any costs incurred by such party in connection with work undertaken from and the negotiation of the License Agreement and any other documents contemplated between the parties.

Concept	Description
18. Retention of Discretion	This Term Sheet is not intended to be contractual in nature, but is a statement of the general terms and conditions upon which representatives of the parties are prepared to consider and discuss entering into a binding agreement. Approval of the transaction will be subject to the independent discretionary approvals of the Oakland City Council and the Alameda County Board of Supervisors. As to those matters, nothing herein shall obligate the City or County to exercise their discretion in any particular manner, and any exercise of discretion required by law, other than abuse of discretion, shall not be deemed to constitute a breach of City and County duties under this Term Sheet. The parties understand and acknowledge that any License Agreement resulting from the negotiations arising from this Term Sheet shall become effective only if and after it has been considered and approved by the Oakland-Alameda County Coliseum Authority Board of Commissioners, the Oakland City Council and the Alameda County Board of Supervisors in their sole and absolute discretion and has been fully executed by the authorized agents or officers for each party.

If the terms contained in this Non-Binding Term Sheet are acceptable, please so indicate by signing in the spaces provided below.

“AASEG”

AASEG, LLC

By: _____

Title: _____

“AUTHORITY”

OAKLAND-ALAMEDA COUNTY COLISEUM AUTHORITY

By: _____
NATE MILEY, CHAIR

ATTEST:

ERIN ROSEMAN, SECRETARY

“CITY”

CITY OF OAKLAND, a municipal corporation

By: _____
City Administrator

Approved as to form and legality:

City Attorney

Barbara J. Parker

By: _____
Special Counsel

“COUNTY”

COUNTY OF ALAMEDA, a political subdivision of the State of California

By: _____
Keith Carson, President

APPROVED AS TO FORM:

Donna R. Ziegler, County Counsel

By: _____

Name: _____

Title: _____