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New Agreement for Oakland's Sale of Coliseum To Generate More Benefits

Statement from Council President Nikki Fortunato Bas

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OAKLAND, CA – "I applaud the updated agreement between the City of Oakland and the African American Sports and Entertainment Group (AASEG), which includes a higher price for Oakland's stake in the Coliseum and a faster timeline to develop the historic site for sports, entertainment, housing, and a thriving business corridor in East Oakland.

The restructured agreement for the sale of the City's portion of the Coliseum will help launch Oakland's boom loop of economic development and long-term, ongoing revenue for the City. The new terms, negotiated by the City Administration with direction from the City Council through [an ordinance adopted on June 26, 2024](#), includes:

- Higher total purchase price of \$125 million (versus \$105 million);
- Payment of the City's outstanding bond payments for the Coliseum and Arena, enabling the city to retire debt early, reducing our long-term liabilities;
- Payment of \$47 million more in the current fiscal year (\$110 million versus \$63 million).

These additional funds within the fiscal year can be utilized to provide core city services as the City continues to work on the next biennial budget and address the structural deficit.

In addition, the agreement allows the developer to secure title for the entire site earlier, which enables the developer to draft a project proposal, apply for a development agreement, and negotiate community benefits sooner. I am proud to have added language to the June ordinance that ensures the sale includes deed restrictions requiring at least 25% affordable housing for low-income households and a community benefits agreement to address labor agreements, small, local business contracting, workforce and living wage, sustainable green development, and more.

As a Council, we owe it to our constituents to do our due diligence and to allow the City Administration and staff to prepare a full report for the City Council on this updated deal. Each Councilmember has received a copy of the amended Purchase and Sale Agreement, and has the opportunity to be briefed by the City Administrator. In line with our [adopted Budget](#)

[Resolution](#), my budget team will request that the City Administrator present a budget update to the City Council, based on the new terms and payment schedule of the agreement as well as our current revenue and expenses. This will allow the Council to review important information and carefully consider any necessary changes to maintain a balanced budget.

With regard to the current budget, according to [recent reports from our Finance Department](#), the city's cash flow remains strong. The city's operating cash pool of over \$2.2 billion has increased by over \$70 million since June of last year. The City maintained sufficient short-term liquidity to meet day-to-day expenditures and it maintains a sufficient "cushion" in money market funds to meet unanticipated project expenditures. Credit ratings agencies have recently noted that Oakland's economy and tax base remain resilient.

As this project moves forward, I remain committed to a responsible and transparent process in coordination with the Administration to ensure the public -- including our valued workforce -- can engage in the Coliseum sale and our city budget. I will work with the Administration and our Rules Committee to schedule these meetings.

This is a moment to unite around historic opportunities for Oakland and our economy, and to press forward with the solutions that will benefit our beloved Oakland."

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Learn more about Council President Bas and her work at <https://www.oaklandca.gov/officials/nikki-fortunato-bas>