MISSING EXECUTED LEGISLATION FORM

Resolution / Ordinance Number: 88744

City Council Meeting Date: JUL 20 2021

Agenda Item No.: #2

Recorded Vote: 6 Ayes, 1 No, 10 Abstained File

Status of Resolution/Ordinance:

☐ Filed without signature

☑ Council amended legislation

☐ No signed version will be filed

☐ No signed version will be filed

Author Contact Information:

Department: Vice Mayor Kaplan

Contact Person/Ext.: x 7038

Notes (if any):

Extensive Amendments

________________________________________

Revised: 8/29/2018
OAKLAND CITY COUNCIL

RESOLUTION NO. ________________ C.M.S.

INTRODUCED BY VICE MAYOR KAPLAN

RESOLUTION APPROVING NON-BINDING TERMS OF A DEVELOPMENT AGREEMENT WITH THE ATHLETICS INVESTMENT GROUP LLC, D/B/A THE OAKLAND ATHLETICS, A CALIFORNIA LIMITED LIABILITY COMPANY, INCLUDING TERMS FOR, BUT NOT LIMITED TO, THE FINANCIAL PLAN, COMMUNITY BENEFITS, AND NON-RELOCATION, RELATED TO THE PROPOSED OAKLAND WATERFRONT BALLPARK DISTRICT PROJECT TO BE DEVELOPED ON THE PROPERTY KNOWN AS THE HOWARD TERMINAL AT THE PORT OF OAKLAND.

WHEREAS, the Port of Oakland is a department of the City of Oakland (City) established in 1927 pursuant to an amendment to the City Charter, vesting management and operational authorities over the areas within the City known as the Port Area; and

WHEREAS, the Howard Terminal property, located at 1 Market Street and immediately adjacent to Jack London Square, is approximately 55 land acres (Howard Terminal), of which approximately 50 acres are located within the Port Area managed and operated by the Port; and

WHEREAS, the Athletics Investment Group LLC, d/b/a the Oakland Athletics, a California limited liability company (the A’s), have proposed development of the Waterfront Ballpark District at the Howard Terminal, which would include a new, 35,000-person capacity ballpark (the Ballpark), together with up to 3,000 residential units, 1.5 million square feet of office space, and 270,000 square feet of mixed retail, cultural and civic uses, as well as a 3,500-seat performance theater, up to 400 hotel rooms, and approximately 18 acres of new, publicly-accessible open space (the Project); and

WHEREAS, at a projected cost of $1 billion, the A’s iconic new waterfront Ballpark at Howard Terminal would represent the largest private investment to date in any Major League Baseball park nationwide; and

WHEREAS, the City desires to keep the A’s in Oakland, due to the many tangible and intangible benefits they provide to the City and region as a whole; and
WHEREAS, on May 13, 2019, pursuant to Resolution 19-32, the Board of Port Commissioners unanimously approved an Exclusive Negotiation Term Sheet with the A’s, reflecting the parties’ preliminary agreement on terms for future disposition of the Howard Terminal to the A’s through various real estate agreements, including an Option Agreement and Port Building Permit; and

WHEREAS, pursuant to City Council Resolution No. 87998 CMS, dated January 21, 2020, the City and Port entered into that certain Memorandum of Understanding Between City and Port Regarding Howard Terminal Oakland A’s Ballpark Project (MOU), setting forth principles of a shared regulatory framework between the Port and the City for the Project; and

WHEREAS, the Project will require multiple discretionary approvals at the State and local levels, including but not limited to the City’s approval of a General Plan Amendment, Rezoning, Tentative Tract Map, Preliminary and Final Development Plans and a Development Agreement; and

WHEREAS, once the local approvals are complete, the Project requires, at a minimum, approval from the State Lands Commission of a trust exchange agreement and trust-consistency determination with regard to the proposed uses on trust lands, issuance of a Major Permit from the Bay Conservation and Development Commission, and approval from the Department of Toxic Substances Control (DTSC); and

WHEREAS, in February 2020, the A’s submitted an application for a Development Agreement for the proposed Project, and shortly thereafter, in April 2020, the City and A’s began negotiating a Development Agreement term sheet; and

WHEREAS, on February 26, 2021, the City issued a Notice of Availability and released the Draft Environmental Impact Report (EIR) for the Project, pursuant to the California Environmental Quality Act and Assembly Bill 734; and

WHEREAS, much of Oakland’s community, including parts of West Oakland and Chinatown, have been harmed by past infrastructure projects that demolished and undermined key community assets, and any new project must improve, and not harm, conditions for long-time disparately-impacted communities; and

WHEREAS, the City believes it is important that projects on public lands include plans and strategies to benefit the local community, including local hire, jobs standards, affordable housing, anti-displacement support, and pedestrian safety, among others; and

WHEREAS, the Community and Economic Development (CED) Committee of the City Council received, on July 7, 2021 (CED Meeting) an Informational Report and conducted a study session focused on certain key terms of any future Development Agreement, including an infrastructure financing district, non-relocation, affordable housing, and other community benefits; and
WHEREAS, at the CED Meeting, Councilmembers provided clear feedback on various aspects of the Project and Development Agreement terms, including the following:

A. Support for a single Enhanced Infrastructure Financing District (IFD) over the Property, including the pursuit of participation from both the City and County;
B. Request to continue to pursue a range of outside/additional funding resources, including regional, State, and Federal transportation/infrastructure funding, including seeking the County’s participation in the onsite IFD;
C. Request for additional information regarding the Port’s jobs policies;
D. Confirmation that tenant protection measures could be supported through the proposed community fund;
E. Confirmation of the Port’s Seaport Compatibility Measures prior to any final Project approvals by Council;
F. Commitment to creating an informal group of City, Port and community members to track implementation of DTSC remediation requirements; and

WHEREAS, at the CED Meeting, members of the Chinatown community expressed concerns about the Project and Councilmembers requested Staff to work collaboratively with Chinatown representatives to identify and recommend measures for future Council consideration to address community concerns regarding the compatibility of the Ballpark use with the Chinatown commercial and cultural area, as follows:

A. Minimizing the potential adverse impacts of traffic and parking congestion on Chinatown's people, business and cultural institutions, which shall include defining an appropriate role for Chinatown representatives in implementing the Project's Transportation Management Plan;
B. Seeking additional underfreeway parking and prioritizing the use of Chinatown parking garages for cultural events when they occur at the same time as Ballpark events;
C. Working with the A’s to promote patronage of Chinatown businesses by Ballpark event attendees and promote marketing for Chinatown history and culture;
D. Establishing a community oversight body to ensure that community benefits included in any future Development Agreement are met and community benefits are legally enforceable; and

WHEREAS: in order to provide clarity to all parties, and to ensure effectiveness of the next steps for the Project, the City Council seeks to provide general direction to the City Administrator regarding the terms of any future Development Agreement with the A’s for the Project; and now, therefore, be it

RESOLVED: that the Council hereby adopts the facts and findings set forth in the preceding “whereas” clauses and incorporates them into this Resolution; and be it

FURTHER RESOLVED: that the City Council approves the non-binding terms set forth in the attached Exhibit A and authorizes the City Administrator to negotiate with the A’s a Development Agreement based upon such non-binding terms; and be it
FURTHER RESOLVED: that the City Administrator shall return to Council for consideration and approval of any future Development Agreement regarding the Project, which Development Agreement shall be consistent with the terms set forth in 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 City to any definite course of action; accordingly, this action does not constitute not a “project” under CEQA Guidelines 15378 and is only a preliminary agreement of terms under CEQA Guidelines 15004(b).

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES – FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: ________________________

ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California

3086805v2
STAFF'S PROPOSED NON-BINDING TERMS  
DRAFT ONLY – SUBJECT TO FURTHER NEGOTIATION AND CHANGE

1. **Parties & Intent**

This non-binding term sheet ("**Term Sheet**") sets forth the preliminary terms upon which the Athletics Investment Group LLC d/b/a The Oakland Athletics, a California limited liability company (or an affiliate thereof) (the "**Oakland A’s**" or "**Developer**") and the City of Oakland (the "**City**") would negotiate and draft a Development Agreement for a mixed-use ballpark development project, as described herein, to be presented to the City Council for consideration, subject to requisite environmental review of the project under the California Environmental Quality Act ("**CEQA**").

Developer is proposing to acquire the rights to develop a site known as the Charles P. Howard Terminal ("**Howard Terminal**") on the Oakland waterfront from the Port of Oakland ("**Port**"), acquire certain adjacent properties from private owners, and construct a new Major League Baseball ballpark, as well as residential, entertainment, office, hotel, and retail (mixed use) development, creating a new Oakland Waterfront Ballpark District (the "**Project**"). The proposed Project would be constructed in phases as described below.

The site proposed for development of the Project includes the Howard Terminal and certain adjacent properties totaling approximately 55 acres (collectively, the "**Project Site**"). The Project Site is located on the Oakland waterfront, north of and across the Oakland-Alameda Estuary from the City of Alameda. A location map and aerial photographs of the Project Site and the surrounding vicinity are provided on **Exhibit A** attached hereto.

The City and Developer desire to enter into a Development Agreement to secure benefits for the City of Oakland and its residents, which are not achievable through the regulatory process, as well as to vest in Developer and its successors and assigns certain entitlement rights with respect to the Project Site. This Term Sheet summarizes the key terms and conditions that will form the basis for the negotiation and completion of the final Development Agreement.

2. **Term and Early Termination**

The "**Term**" of the Development Agreement shall commence upon the latest to occur of the following: 1) full execution and delivery of the Development Agreement; 2) the last effective date of the ordinances establishing a shared regulatory framework for the Project, as shall be adopted by the City Council and Board of Port Commissioners, respectively; and 3) full execution and delivery of the Option Agreement for Howard Terminal between the Port and Developer (such date being the "**Commencement Date**"), and shall expire on the date that is 35 years from the Commencement Date. The term of the Development Agreement shall not
be subject to extension for Force Majeure or for any other reason.

Notwithstanding the foregoing, upon delivery of a written notice from the City Administrator of the occurrence of an Early Termination event, the City may terminate the Development Agreement, notwithstanding any other requirement or process set forth in the Development Agreement or law.

An "Early Termination Event" shall exist if:

(i) the Option Agreement with the Port expires or terminates before Developer and Port enter into the Disposition and Development Agreement ("DDA");
(ii) the DDA terminates before Developer enters into the Ballpark Lease with the Port; or
(iii) Developer fails to Commence Construction of the Ballpark by that date (such date being the “Ballpark Deadline”) which is the later of: (a) May 13, 2025 or (b) four (4) years from the final adjudication of all third party legal challenges to the initial Project approvals that prevent the Commencement of Construction of the Ballpark, but, consistent with the Exclusive Negotiation Term Sheet for Howard Terminal between Developer and the Port, in no event later than May 13, 2028. The Ballpark Deadline shall be subject to extension as a result of one or more events of Force Majeure pursuant to Section 19.

"Commence Construction of the Ballpark" means the start of substantial physical construction of the building foundation as part of a sustained and continuous construction plan. Related terms such as "Commencement", "Commenced" and "Commences" Construction of the Ballpark shall have the same meaning.

3. Termination

Under the proposed transaction documents with the Port (the “Port Agreements”), the Port has reserved recapture and reacquisition rights to portions of the Project Site for expansion or reconfiguration of the Inner Harbor Turning Basin of the Oakland Estuary (the portion of the Project Site subject to such recapture and reacquisition rights, the “Termination Lands”); however, Developer retains the right to re-annex such Termination Lands into the Project Site if the Port fails to meet the conditions set forth in the Master Lease (such occurrence giving rise to “Re-Annexation Rights”).

If the Port exercises its recapture and reacquisition rights to any of the Termination Lands, the Development Agreement will remain in effect with respect to such Termination Lands so long as Developer still has Re-Annexation Rights under the
4. Amendments

The Development Agreement may only be amended in whole or in part, by mutual consent of the parties or their successors in interest. Amendments constituting a Material Change will require consideration by the Planning Commission and the approval of the City Council by ordinance. All other proposed amendments may be approved, on behalf of the City, by the City Administrator.

A proposed amendment shall constitute a Material Change if it seeks to or causes: (i) an extension of the Term or the Ballpark Deadline as set forth in the Development Agreement; (ii) a material increase in the monetary or non-monetary obligations or liabilities of the City or a material decrease in the monetary or non-monetary benefits (including Community Benefits) to the City; (iii) an acceleration of other vertical development prior to substantial completion of the Ballpark; (iv) a delay in the delivery of the Project’s parks and open space elements relative to the Ballpark or other vertical development; or (v) an amendment to the General Plan or Zoning Ordinance that would introduce new land uses or change the quantities of permitted land uses beyond the parameters set forth in the Development Program included with the Development Agreement.

The granting of any subsequent project approvals or amendments to the initial project approvals or subsequent project approvals will not require an amendment to the Development Agreement, except as set forth above.

5. Development Program

The Project consists of the development of a new Major League baseball park for the Oakland Athletics with a capacity of up to 35,000 attendees (the “Ballpark”); surrounding mixed-use development including up to 3,000 residential units; up to 1.5 million square feet of commercial uses; up to approximately 270,000 square feet of retail uses; an indoor performance center with capacity of up to 3,500 persons; hotel space with up to 400-rooms; a network of up to approximately 18 acres of publicly-accessible open spaces (less if the Port exercises its recapture and reacquisition rights for the Termination Lands); and pedestrian and bicycle access on the Project Site.
"Master Phasing Diagram"), generally identifies the phases, vertical development parcels and key open space and infrastructure elements in the Project.

The Development Agreement will include a final phasing plan and procedures designed to ensure that infrastructure and capital improvements are constructed in a manner that is appropriate and proportional to the level of development proposed in each phase ("Phasing Plan"). The Phasing Plan will be attached as an exhibit to the Development Agreement and will describe in detail how each required infrastructure or open space element will be linked to vertical development parcels or other triggers consistent with the requirements below.

**Vertical Development**

The Ballpark must be included in the first phase Project development. No other vertical development may proceed until Commencement of Construction of the Ballpark has occurred, nor shall any other vertical development receive an occupancy permit prior to substantial completion of the Ballpark.

Development south of Street A and west of Market Street (Phase 2B), excepting interim improvements, may not proceed as to any portion until the Port’s right to the Termination Lands has expired for the applicable portion, as set forth in the Section 3, above.

Except as set forth in this Section 6 and in the Port Agreements, the Developer will retain the right to develop the vertical development in such order and time as it determines in the exercise of its business judgment.

**Infrastructure**

Phasing of infrastructure will be consistent with the final Phasing Plan and administered through the City’s subdivision and permitting processes. The City will review each application for a Final Development Plan ("FDP"), phased final map and associated improvement plans, and building permits for consistency with the Phasing Plan and approved Tentative Tract Map ("TTM") and PDP to ensure that the infrastructure provided with each phase of development, including on- and off-site public streets, utilities and open space, will be delivered at an appropriate level to the proposed vertical development, as more specifically provided below.

**On-Site Streets, Sidewalks, and Utilities**

The Master Phasing Diagram shows all street segments to be included in the Project,
which shall be described in greater detail in the TTM to be approved as part of initial Project approvals.

All public streets, sidewalks and utilities contained within Phase 1 shall be completed before issuance of an occupancy permit for the Ballpark.

For the remainder of the Project, in general, each street segment, including associated sidewalks, landscaping and utilities shall be constructed with a particular vertical development parcel, or in some cases, the first to be developed of a group of vertical development parcels. Developer shall complete the street segment as a condition precedent to issuance of an occupancy permit for that vertical development parcel, as may be further described in the Phasing Plan and approved in in each FDP.

Off-Site Transportation Improvements
All offsite transportation improvements required of the Project, including streets, sidewalks, bicycle lanes, at-grade and grade-separated rail safety improvements, and transit facilities, shall be completed consistent with the requirements of the Project approvals.

Parks and Open Space

The Open Space Phasing Diagram attached hereto as Exhibit C shows the location of each park or open space element to be included in the Project.

Design standards and guidelines for the parks and open space elements will be included within the PDP and Design Standards and Guidelines to be approved as part of the initial Project approvals.

Athletics Way, MLK Plaza, Rooftop Park and Waterfront Park A, as well as an interim or permanent connection of the Bay Trail to Market Street, shall be completed before issuance of an occupancy permit for the Ballpark.

Stomper Plaza shall be completed before issuance of an occupancy permit for Block 5.

Waterfront Park C shall be completed before issuance of an occupancy permit for Block 7.

Triggers for completion of Waterfront Parks B, D, E and F shall be established in the Development Agreement to ensure that construction of parks and open space is on pace with total vertical development within the Project.
Fire Station No. 2

Fire Station No. 2, located at 47 Clay Street, lies within the alignment of Athletics Way on the Project Site. Improvements to Station No. 2 to add capacity and functionality, maintain sufficient access to the apparatus bay and fireboat, and provide adequate onsite parking and yard space, shall be completed prior to issuance of an occupancy permit for the Ballpark.

7. Vested Rights / Applicable Laws, Codes and Standards

Developer shall obtain approval of a PDP and TTM for the Project Site in addition to the Development Agreement. Development, construction, occupation and implementation of the Project will be subject to additional review and approval in accordance with the requirements of these initial project approvals.

Developer shall have vested rights for the development of the Project as set forth in the Development Agreement, Project approvals, and all Applicable Laws (defined below), which shall control the overall design, development and construction of the Project and all improvements and appurtenances in connection therewith, including, without limitation, the following: the locations and numbers of buildings proposed, the required infrastructure, land uses and parcelization, height and bulk limits, including the maximum density, intensity and gross square footages, permitted uses, provisions for open space, affordable housing, vehicular access and parking, which collectively shall be referred to as the “Vested Elements”. The Vested Elements are subject to and shall be governed by Applicable Laws. The expiration of any building permit or Project approval shall not limit the Vested Elements, and Developer shall have the right to seek and obtain subsequent Project approvals, at any time during the Term, any of which shall be governed by Applicable Laws. Each later Project approval, once granted, shall be deemed a Project approval subject to the protections of the Development Agreement.

The City shall process, consider, and review all later Project approvals in accordance with (i) CEQA, utilizing the certified Final Environmental Impact Report for the Project to the fullest extent permitted by law, (ii) the Project approvals received to date, including compliance with all applicable mitigation measures from the Standard Conditions of Approval and Mitigation Monitoring Program approved therewith (the “SCA-MMRP”), (iii) any conditions of approval that are imposed by the City or other governmental agencies with jurisdiction over the Project as part of the Project approvals, (iv) the City’s Charter, Municipal Code (including the Planning and Subdivision Codes) and General Plan, as each of the foregoing is in effect on the Commencement Date (“Existing Standards”) and may be amended or
updated in accordance with permitted New Laws as set forth below, (vi) California and federal law, as applicable, and (vii) the Development Agreement (collectively, "Applicable Laws").

(1) All new or amended laws and standards (collectively, "New Laws") shall apply to the Project except to the extent they conflict with this Development Agreement. For the avoidance of doubt, the New Laws shall be deemed to conflict, subject to (2) below, with this Development Agreement if they:

(a) reduce the maximum allowable height or bulk of the Project, or any part thereof, or otherwise require any reduction in the height or bulk of individual buildings from that permitted under the Project approvals;

(b) reduce or change the allowable parking and loading ratios, except as provided in the Transportation Demand Management Plans, or materially change the location of vehicular access, parking or loading from those permitted under the Project approvals;

(c) limit, reduce or change permitted land uses for the Project from those permitted under the Project approvals;

(d) control or delay the rate, timing, phasing or sequencing of the development or construction of all or any part of the Project except as expressly set forth in the Development Agreement and Project approvals;

(e) require Developer to assume responsibility for construction or maintenance of additional infrastructure or open space beyond that contemplated by the Development Agreement;

(f) impose requirements for historic preservation or rehabilitation other than those contained in the Project approvals (including the SCA-MMRP);

(g) impose requirements for City-adopted environmental measures other than those contained in the Project approvals (including the SCA-MMRP);

(h) require the issuance of permits or approvals by the City other than those required under the Existing Standards, except for (i) permits or approvals required on a City-wide basis that do not prevent or materially interfere with the construction or operation of the applicable aspects of the Project that would be subject to such permits or approvals as and when intended by the Development Agreement, and (ii) permits that replace (but do not expand the scope or
purpose of) existing permits;

(i) limit the availability of public utilities to the Project, including but not limited to sewer capacity and connections, or the Project’s rights thereto, in a manner that materially interferes with or prevents construction of the Project, or any part thereof, as and when intended by the Development Agreement;

(j) delay or prevent the procurement of subsequent Project approvals that are consistent with the Development Agreement and Project approvals; or

(k) increase the percentage of residential units required to be income-restricted, change the percentage of units required to be offered at any AMI threshold level or any eligibility requirements, change or impose requirements regarding unit size, finishes, amenities, or unit type, or any other change to the approved affordable housing plan beyond that contemplated by the Development Agreement.

(collectively, "Conflicting Laws"). In the event of express conflict, as determined by the City, the terms of the Development Agreement shall prevail.

(2) Notwithstanding the foregoing, nothing in the Development Agreement shall prevent the City from:

(a) taking any action that is necessary to protect the health and safety of the public or to comply with applicable changes in Federal or State Law, including subjecting the Project to a New Law that is applicable on a City-Wide basis to the same or similarly situated uses (if any) and applied in an equitable and non-discriminatory manner, so long as such New Law is (i) limited solely to addressing specific and identifiable issues required to protect the physical health and safety of the public; or (ii) reasonably calculated and narrowly drawn to comply with a Federal or State Law;

(b) applying to the Project any provisions, requirements, rules, or regulations that are contained in the California Building Standards and Fire Codes, as adopted and amended by the City in accordance with the California Health and Safety Code, including requirements of the Oakland Building and Construction Code or other uniform construction codes, as the same may be amended; or

(c) applying then-current City standards applicable to infrastructure permits for each later Project approval if the following conditions are met: (i) the standards are compatible with, and would not require a material modification to
### 8. Administrative Fees

For the Term of the Development Agreement, the Administrative Fees imposed on the Project shall be the rates in effect as of the date of the relevant application. “Administrative Fee” shall mean any fee imposed City-wide in effect at the time and payable upon the submission of an application for any permit or approval or thereafter, generally as set forth in the City’s Master Fee Schedule, as it may be amended or modified to cover the estimated actual costs to City of processing that application and/or inspecting work undertaken pursuant to that application. The term “Administrative Fee” shall not include any impact fees, exactions or City Costs.

### 9. Community Benefits

The Development Agreement will secure benefits for the City of Oakland and its residents, consistent, at a minimum, with the guidelines set forth in Assembly Bill 734 (2018) and the “Key Principles of the Howard Terminal Community Benefits Agreement” attached hereto as Exhibit D. See Section 10 below and Exhibit F for additional information on community benefits, including workforce development, affordable housing, and the community fund.

### 10. Workforce Development

All project-related construction on Port controlled property or funded, in whole or in part, by or through the Port, shall be subject to the Port’s Maritime Aviation Project Labor Agreement (MAPLA).

In addition, it is anticipated that the Port’s tenants related to operations jobs, generally as set forth in the Port’s 2017 Operations Jobs Policy for the Centerpoint Oakland Global Logistics project, will form the basis for an operations jobs policy for the proposed Project. These include living wages and benefits for workers; priority consideration for unemployed individuals, armed forces veterans, single parents, ex-offenders and foster care adults; and a ban on asking applicants about prior criminal offenses.

### 11. Affordable Housing

See Exhibit F.
### 12. Arts Master Plan / Process

The Development Agreement will establish the process pursuant to which an Arts Master Plan may be developed, approved and implemented for the Project, consistent with *Exhibit E* hereof.

### 13. Financing and BIDs

The City and Developer shall pursue formation of a Community Facilities District (CFD) and a single Enhanced Infrastructure Financing District (IFD) over the Project Site capturing the City’s and County’s shares of real property tax increment generated by the Project (the Project’s “but for” property taxes) for a period of 45 years to finance eligible capital improvement, affordable housing and maintenance costs associated with the Project. If requested by Developer, the City will also agree to cooperate with the establishment of a Business Improvement District and in submitting and processing grant or funding applications. For more information, see *Exhibit F*.

### 14. Review of Permits / Development Applications

The Development Agreement will incorporate a set of best practices for the submittal, review and processing of subsequent applications for approvals and permits required for development of the Project. These best practices are intended to facilitate the expeditious processing of subsequent project approvals and permits; to address challenges, issues, and concerns during development of the Project; and to promote accessibility, predictability, and consistency across City agencies and departments. As approved by the City, best practices may include:

- Timelines for City review and Developer resubmittal of plan sets for B- and P-Job permits (for construction of buildings and infrastructure, respectively)
- Procedure for processing of “foundation only” permits
- Provision of dedicated plan checkers and inspectors for the Project
- Procedure for utilizing third party plan checkers and inspectors
- Procedure for utilizing video inspections
- Pre-approval of extended working hours, as set forth in the Project’s Environmental Impact Report
- Installation of Ballpark furniture, fixtures and equipment prior to issuance of a Temporary Certificate of Occupancy (“TCO”) for the Ballpark
- Procedure for issuance of phased TCO’s on non-Ballpark development
- Provision of a priority project manager, within the City Administrator’s office, to effectuate all of the above and act as a facilitator for all subsequent Project permits and approvals

All of the above shall be at Developer’s sole cost and expense, as set forth in Section
15. Defaults

1. **City Event of Default.** A breach of any material obligation by the City shall be **cured** within the times required after written notice provided in accordance with paragraph 3 below, and if not so cured, shall constitute a **"City Event of Default"**.

2. **Developer Event of Default.** The occurrence of any of the following breaches shall be cured within the times required after written notice provided in accordance with paragraph 3 below, and if not so cured, shall constitute a "**Developer Event of Default**":
   a. Developer’s failure to have a legal or equitable interest in the Property;
   b. Developer’s failure to Commence Construction of the Ballpark when required by the Agreement, or, after Commencement of Construction, to proceed with construction in a sustained and continuous manner;
   c. Developer’s failure to pay any monetary amount when due;
   d. Developer’s failure to perform or fulfill any other material term, provision, obligation, or covenant of the Development Agreement;
   e. A voluntary or involuntary attempt by Developer to undertake a Transfer in violation of the Agreement; or
   f. A filing of bankruptcy, dissolution, or reorganization by Developer or any general partner, managing member, or parent entity of the Developer.

3. **Notice and Cure:** If breaches under paragraphs 1 or 2 arise, then either the City or the Developer, as the case may be, shall notify the other Party in writing of its purported breach or failure, giving such defaulting Party forty-five (45) calendar days for monetary defaults and sixty (60) calendar days for all other defaults, to cure such breach or failure, or, if such breach is of the type that cannot reasonably be cured within the 60-day period, then such defaulting Party shall have such reasonable time to cure such breach so long as the defaulting Party commences such cure within the initial 60-day period and diligently pursues such cure to completion.

4. **Developer Remedies for City Event of Default:** If a City Event of Default occurs after Developer provides the City notice and cure rights pursuant to paragraph 3 above, the Developer may pursue any of the following remedies:
   a. Terminating the Agreement;
   b. Prosecuting an action for actual damages (but excluding consequential, incidental or punitive damages);
   c. Seeking equitable relief from a court of competent jurisdiction, including,
5. **City’s Remedies for Developer Event of Default:** If a Developer Event of Default occurs, the City shall provide the Developer notice and cure rights pursuant to paragraph 3 above. If the Developer does not cure or begin to cure the breach within the time period specified, the City may pursue any of the following remedies:

   a. Terminating the Agreement subject to the revocation procedures set forth in OMC § 17.152.060 through 17.152.230;
   b. Prosecuting an action for actual damages (but excluding consequential, incidental or punitive damages);
   c. Seeking equitable relief, including injunctive relief and specific performance;
   d. Pursuing any remedies available to the City at law or in equity, subject to the limitations of subparagraphs 5.a and 5.b, and except to the extent the Development Agreement contemplates a different remedy for such Developer Event of Default (such as, for example, specific remedies included in the separate workforce program, community benefits program or non-relocation agreement);
   e. For a Developer Event of Default related to Developer’s failure to construct requisite parks and infrastructure, as and when required by the Phasing Plan, or any subdivision or public improvement agreements, in addition to any remedies the City may otherwise have under such improvement agreements, the City’s sole remedy shall be to seek specific performance and to withhold building permits or Certificates of Occupancy, as relevant, for any element of the Project that is tied to the applicable park or infrastructure.

6. **Limited Cross-Defaults:** If Developer conveys or transfers some but not all of the Project or a party takes title to foreclosed property constituting only a portion of the Project, and, therefore there is more than one Party that assumes obligations of “Developer” under the Development Agreement, there shall be no cross-default between the separate parties that assumed Developer obligations, with the limited exceptions of (i) the City’s rights to early termination as set forth in Section 2 and (ii) the City’s right to enforce Developer’s Phasing Plan obligations against a transferred development parcel (*i.e.*, the right to withhold building permits or occupancy permits to the extent permitted under paragraph 5 above).
### 16. Lender Protections

Development Agreement to include customary protections for mortgage and mezzanine lenders, including (i) City obligation to deliver to any Developer’s lenders a copy of any notice of default or determination of noncompliance given to such Developer; (ii) Lenders shall have the right, but not the obligation, to cure within a specified period upon receipt of the notice, including such additional time to obtain possession of the Property, provided that Lender provides proper notice to the City and takes requisite steps to diligently obtain possession; (iii) the Development Agreement shall be assignable to the Lender or any other person who acquires title to all or any portion of the Property through foreclosure or deed-in-lieu of foreclosure, provided such party agrees in writing to assume all of the obligations of the Development Agreement, including any uncured defaults; provided however, that, should the Lender acquire title, then the City shall agree to toll any deadlines for performance of any construction obligations for a period equal to the time required to obtain title plus six months; and (iv) City obligation to deliver estoppels to current and prospective lenders acknowledging that there is not actual default, the Development Agreement is still in effect, there have been no amendments to the Development Agreement, and such other factual matters as reasonably requested by such lender (the form of the Estoppel Certificate shall be attached as an Exhibit).

### 17. Assignment

Developer’s rights to transfer its rights and obligations under the Development Agreement shall be as follows:

1) Developer may not transfer its interest in the Development Agreement, in whole or in part, prior to Commencement of Construction of the Ballpark except to (a) an affiliate or (b) an entity acquiring the Oakland Athletics team and its real estate holdings, in either instance for the purpose of development of the Ballpark.

2) After Commencement of Construction of the Ballpark, Developer has the right to transfer all or any portion of its rights under the Development Agreement to the same extent that it validly transfers, under the Port transaction documents, all or any portion of its real property interest in the Project Site.

3) Prior to any transfer of the Development Agreement hereunder, the City shall review and approve the proposed Assignment and Assumption Agreement to ensure the inclusion of the requisite rights and obligations associated with the proposed real property transfer. A form of Assignment and Assumption Agreement for a full transfer of Developer’s interest will be attached to the Development Agreement. The parties shall endeavor to substantially use such form for any transfer of partial interest.
**STAFF'S PROPOSED NON-BINDING TERMS**  
**DRAFT ONLY – SUBJECT TO FURTHER NEGOTIATION AND CHANGE**

<table>
<thead>
<tr>
<th><strong>18. Periodic Review</strong></th>
<th>The Development Agreement shall be subject to Periodic Review procedures to be set forth in the Development Agreement.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>19. Force Majeure</strong></td>
<td>“Force Majeure” shall mean event(s) that cause material delays in the Developer’s performance of its obligation to Commence Construction of the Ballpark by the Ballpark Deadline, due to domestic or international events disrupting civil activities, such as war, acts of terrorism, insurrection, acts of the public enemy, and riots: acts of nature, including floods, earthquakes, unusually severe weather, and resulting fires and casualties; epidemics and other public health crises affecting the workforce by actions such as quarantine restrictions; inability to secure necessary labor, materials, or tools due to any of the above events, freight embargoes, lack of transportation, or failure or delay in delivery of utilities serving the Project Site. The Ballpark Deadline may be extended by a period of time equal to the duration of a Force Majeure event; provided, however, within thirty (30) days after Developer first reasonably determines that the Force Majeure event will result in a delay in performance, Developer shall have first notified the City in writing of the cause or causes of such delay and claimed an extension for the reasonably estimated period that such cause or causes will delay Developer’s ability to Commence Construction and the City shall have agreed in writing to such extension, which agreement shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, under no circumstances shall the aggregate Force Majeure extensions exceed four (4) years.</td>
</tr>
<tr>
<td><strong>20. City Costs</strong></td>
<td>Developer shall reimburse all actual and reasonable costs incurred by the City in connection with (1) monitoring, administration and enforcement of the Development Agreement and other Project approvals, (2) processing of all current and future Project approvals, and (3) defense of all Project approvals; but excluding costs covered by Administrative Fees (the foregoing, collectively, “City Costs”) The process for such payment shall require the City to submit supporting documentation and provide Developer with audit rights. In addition, Developer shall pay (based on a payment process to be set forth in the Development Agreement) the City for its costs incurred to provide City services to the Ballpark and surrounding neighborhoods in connection with baseball games and other events at the Ballpark, which may include (but are not limited to):</td>
</tr>
<tr>
<td></td>
<td>- Parking and traffic engineering and control services;</td>
</tr>
</tbody>
</table>
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- Police and other emergency services;
- Litter pickup/street and sidewalk cleanup.

21. Non-Relocation

As material inducement for the City to enter into the Development Agreement and for the City’s financial participation committed to in the Development Agreement, Developer shall enter into a non-relocation agreement ("Non-Relocation Agreement"), in a form of agreement to be agreed upon by the parties, which shall include, at a minimum, the following terms:

a) **Covenant to Play:** The new Ballpark shall become the “home” stadium for the Oakland Athletics and the Oakland Athletics shall covenant to play all of its home games at the Ballpark, commencing as of the opening of the Ballpark, subject to certain limited exceptions to be agreed upon.

b) **Maintenance of Franchise:** The Oakland Athletics shall, throughout the Term of the Non-Relocation Agreement:
   1) Maintain its membership and good standing in the Major League Baseball ("MLB") franchise;
   2) Maintain its corporate headquarters and principal place of business in Oakland;
   3) Continue to use Oakland as the primary geographic team identity, consistent with existing practices.
   4) Agree to i) hold, maintain, and defend the right of the Team to play baseball as a Major League Club; and ii) not encourage or solicit the contraction of the team by MLB.

1. **Transfer Rights and Obligations:** Any transfer of interest in the ownership of the Oakland Athletics shall bind successors to this Non-Relocation Agreement, and shall require the Oakland Athletics to provide, prior to transfer, evidence to the City that the prospective transferee has (i) assumed the obligations under this Non-Relocation Agreement and (ii) obtained the right to play at the Ballpark either through a license agreement or an assumption of Ballpark lease with the Port. Such evidence shall be provided in the form of the assumption and assignment agreement to be attached to the Non-Relocation Agreement. For the sake of clarity, other than the foregoing, the Non-Relocation Agreement will not afford the City any approval rights in connection with any transfer of ownership interests in the Oakland Athletics.

c) **Default Remedies:** The City shall be entitled to specific performance, injunctive and other equitable relief for the Oakland Athletics defaults under the Non-Relocation Agreement. If the City fails to receive adequate equitable relief and the team relocates during the Term or violates any material covenant of the Non-Relocation Agreement, the Oakland Athletics
shall, for the entire remaining term of any outstanding public bond indebtedness encumbering the Project tax increment, be obligated to pay an amount equal to the difference between the Project tax increment and the debt service due on any such outstanding public debt.

d) **Term:** The Term of the Non-Relocation Agreement shall be 25 years. Notwithstanding the foregoing, the Oakland Athletics shall, for the entire remaining term of any outstanding public bond indebtedness encumbering the Project tax increment, be obligated to pay an amount equal to the difference between the Project tax increment and the debt service on any such outstanding public debt.

| 22. **CEQA Compliance** | The City will not approve a Development Agreement or other binding Project approvals or take any other discretionary actions that will have the effect of committing the City to the development of the Project until the final environmental analysis for the Project is completed and approved in accordance with CEQA. If the Project is found to cause significant adverse impacts that cannot be mitigated, the City retains absolute discretion to: (a) modify the Project to mitigate significant adverse environmental impacts; (b) select feasible alternatives to avoid significant adverse impacts of the proposed Project; (c) require the implementation of specific mitigation measures to address adverse environmental impacts of the Project identified in the CEQA approval documents; (d) reject the Project as proposed if the economic and social benefits of the Project do not outweigh otherwise unavoidable significant adverse impacts of the Project; or (e) approve the proposed Project upon a finding that the economic, social, or other benefits of the Project outweigh unavoidable significant adverse impacts of the Project. |

| 23. **Exhibits** | The following Exhibits are attached to this Term Sheet and incorporated herein by this reference:

**Exhibit A:** Site Map  
**Exhibit B:** Master Phasing Diagram  
**Exhibit C:** Open Space Phasing Diagram  
**Exhibit D:** Key Principles of the Howard Terminal Community Benefits Agreement  
**Exhibit E:** Arts Plan  
**Exhibit F:** Key Financial Terms |
Exhibit C

Master Phasing Diagram: Open Spaces
Exhibit D

Key Principles of the Howard Terminal Community Benefits Agreement

This is a summary of the key principles underlying the Howard Terminal Community Benefits Agreement (CBA) to ensure that the development of the Howard Terminal property provides equity-based, structural, long-term benefits to the surrounding communities. The Oakland A’s, the City of Oakland and the Port of Oakland have agreed to these principles with the sincere expectation that they will be followed throughout the consensus-based CBA development process.

Statements of Intent
1. The relocation of the Oakland A’s to the Howard Terminal will result in the redistribution of commercial activity and changes in land use with potential impacts that disproportionately affect Oakland’s disadvantaged residents.

2. The Howard Terminal Community Benefits Agreement (CBA) is intended to help remedy inequities experienced by the most vulnerable or historically underserved populations, particularly those in areas most directly affected by the Oakland A’s Howard Terminal Project -- West Oakland, Chinatown, Old Oakland, and Jack London Square.

3. The provisions of the CBA should extend to all development within the Howard Terminal Property, as defined by Assembly Bill (AB) 1191.

4. The CBA should be sustainable and long lasting for at least the term of the Oakland A’s lease and all later leases of the Howard Terminal Property, regardless of whether any given parcel is ultimately developed by the A’s or another developer.

5. Ideally, combined benefits will create synergistic outcomes that offer cumulative mitigation.

6. The obligations to be set forth in the CBA will be identified and prioritized by community members to carry out this intent.

Operating Principles
1. The CBA applies to all development, development rights, use and occupancy of the Oakland Sports and Mixed-Use Project, also known as the “Howard Terminal Project” for the life of the Howard Terminal Project. The CBA applies to all developers of the Howard Terminal projects and all employers, commercial tenants, subcontractors, etc. that operate on the project site. The CBA applies regardless of whether any given parcel of the Howard Terminal Property is leased or developed by the Oakland A’s or some other entity. It shall be effective from development through operation, for at least 66 years.

2. The terms of the CBA will exceed any minimum requirement of local, state, or federal law for projects such as the Howard Terminal Project.
3. High priority is given to terms that serve the needs of historically underserved, vulnerable and at-risk populations, as identified in the City’s Equity Indicators Report, as well as other relevant resources, which may include data from local, regional, state, and federal governments, as well that from private foundations and academia.

4. Each CBA obligation shall include a quantifiable goal or other objective means of determining whether that obligation has been met and meaningful remedies available in the event of non-compliance.

5. The CBA will include a permanent mechanism for ongoing community monitoring and enforcement to ensure that the CBA meets its objectives and has sufficient transparency and community accountability.

6. Community oversight and enforcement will include, at a minimum, those individuals or organizations represented on the Steering Committee that execute the CBA and their successors and assigns, including representatives of the four impacted neighborhoods of West Oakland, Chinatown, Old Oakland, and Jack London Square.

7. The following “best practices”, and any others developed by the Steering Committee, will be used to develop the CBA:

   a. Historical inequity, as described by the “Baseline Indicators Report,” Oakland Municipal Code Section 2.29.170.1, and other identified sources, is to be addressed by the CBA, and the mitigation of identified historical inequity may constitute a rational basis for a CBA term,

   b. To the extent possible, each CBA obligation will include the assessment of equity factors to determine whether the obligation has been met,

   c. The collaborative process should create win-win situations which result in measurable long-term outcomes,

   d. The CBA terms shall not reinforce or increase current and/or historical inequities faced by vulnerable populations in the four nearby or other communities, and

   e. Discussions must be transparent and sufficient information must be provided on a timely basis for parties to evaluate the feasibility and viability of proposals.
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Exhibit E

Howard Terminal Arts Plan Process

This exhibit to the Term Sheet for the Howard Terminal Development Agreement outlines the process through which an Arts Master Plan ("Arts Plan") may be developed, approved and implemented for the Project. If an Arts Plan is developed, approved and implemented pursuant to the guidelines below, all development within the Project Site shall be exempt from the City of Oakland (the "City") public art ordinance (OMC Chapter 15.78 - PUBLIC ART REQUIREMENTS FOR PRIVATE DEVELOPMENT, the "Public Art Ordinance"), as the intent of that ordinance will be met or exceeded by the Arts Plan that is approved for the site.

The Developer and City shall use good faith efforts to collaboratively develop and adopt an Arts Plan pursuant to the guidelines below. If such efforts fail to result in an approved Arts Plan, the Developer shall instead comply with the Public Art Ordinance, and the Arts Plan shall not apply.

Arts Master Plan Goals and Outcomes

The Arts Plan shall be developed to meet the following goals:

- Create an Artistic Hub at Howard Terminal that celebrates the City’s creativity, energy and diversity
  - Reflect the community’s diverse population and culture
  - Feature both established and emerging artists and organizations, who reflect Oakland’s diverse population
  - Feature local artists and organizations, while also expanding the reach of the program to embrace work from other geographies
  - Celebrate the area’s cultural and maritime history

Public Engagement

- Site physical art intentionally throughout the Project Site, resulting in a cohesive, freely accessible (as defined by OMC Chapter 15.78.030) public art experience
- Explore offsite art opportunities within the four adjacent neighborhoods (Jack London District, Chinatown, Old Oakland and West Oakland) to better integrate the Project Site with the neighboring community

Define “Art” Broadly

- Consider both performing and visual arts in creation of the Arts Plan
- Consider opportunities for art spaces (e.g. studio space, gallery space, performing arts etc.) in addition to static physical art installations
- Consider opportunities for temporary and rotating exhibits, as well as multidisciplinary arts festivals and ongoing programming within the Project Site and the four impacted neighborhoods
- Consider opportunities to include art to be incorporated into the architecture/landscape architecture on site. For the purposes of this section, "artists" shall not include members of the
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Architectural, engineering, design, or landscaping firms retained for the design and construction of the Project
- Consider opportunities for contribution of non-commissioned art that adds depth and breadth to the public art experience, in addition to new commissions and projects
- Ensure that permanent work is appropriately durable to withstand the test of time and interaction with the public

Build on Precedent Efforts in the City
- Reflect the Goals and Priorities of the City’s Cultural Plan

Arts Master Plan Elements
The Arts Plan must include the following elements:

Value
The total value of the arts installations, facilities and programming to be provided pursuant to the Arts Plan shall equal or exceed the contribution that would otherwise be required of the Project under the Public Art Ordinance, generally as follows:

- Residential Development: One-half of one percent (0.5%) of building development costs, excluding the cost of any affordable housing development; plus
- Non-Residential Development: One percent (1.0%) of building development costs.

The Arts Plan shall also set forth a process for valuing Developer contributions of existing art, so as not to dis-incentivize procuring or commissioning art from local and emerging artists.

Balance in the Arts Plan
The Arts Plan will address the general apportionment of value between:

- Newly created art
- Existing art
- Permanent installations
- Temporary installations and/or programming
- Arts spaces and facilities

Identification of Priority Opportunities for Art
The Arts Plan shall include a description of the priority opportunities for art and arts spaces (if proposed), across the Project Site and within any of the four neighborhoods adjacent to the site: West...
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Oakland, Old Oakland, Jack London District and Chinatown. The Arts Plan should be expansive, identifying more opportunities than ultimately may be executed, with identification of the most essential opportunities that will be prioritized for implementation. Potential categories of art include, but are not limited to:

- New or previously created art to be installed within the Project Site in freely-accessible spaces (e.g. new/existing sculpture placed in/near the Ballpark or elsewhere on Project Site, art integrated into new on site construction, art installations/performance art/illumination relating to the existing shipping container cranes on site)

- New or previously created art to be located off site in freely-accessible spaces (e.g. art installations in I-880 underpasses, art related to the West Oakland Walk concept)

- Support for temporary exhibits on or off site in freely-accessible spaces (e.g. creating a rotating art gallery or performance space on site)

- Support for ongoing Arts and Cultural programming on site or off site

- Identification of opportunities for arts spaces, such as artist studios, performance space, and/or galleries, on site or off site

- A maritime-focused interpretive program designed to meet the requirements of AB1191

Phasing
The Arts Plan will include a description of how art installation, programming and/or spaces are to be phased relative to vertical and horizontal development on the Project Site. Generally, the Arts Plan will be implemented proportionately as vertical development occurs on the Project Site; provided, however, that the Developer may elect to implement public art, facilities or programs at a rate that exceeds the pace of development on site.

Maintenance
The Arts Plan will include a section on maintenance and ongoing operations, demonstrating sustainable sources of operational funding for arts programming and the maintenance and security of physical art and arts space identified in the plan, as necessary.

Community Benefits Elements
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*Arts Master Plan Development and Approval*

**Plan Development**
The Developer will prepare a draft Arts Plan, pursuant to these guidelines, for City review and approval. Preparation of the plan will include consultation with the City’s Public Art Advisory Committee (PAAC), the City’s Cultural Affairs Unit and Planning Department, the Port of Oakland ("*Port*"), and the Bay Conservation & Development Commission ("*BCDC*"). The Developer may elect to convene an Arts Advisory Group consisting of interested community members, City, Port and/or BCDC staff, and/or experts in public art and culture, to provide input on development and implementation of the Arts Plan. The Developer shall submit the draft prior to or together with its application for a Final Map for the Project site.

**Plan Approval**
The City Administrator or his or her designee will be authorized to approve the Arts Plan, after considering PAAC and public input, no later than submittal of the Developer’s application for the first building permit for the Ballpark.

**Amendments**
Minor Amendments to the Arts Plan that do not materially affect the phasing, quantity or quality of art or arts spaces provided in the Arts Plan may be approved by the City Administrator or his or her designee.

Major Amendments to the Arts Plan that materially affect the phasing, quantity or quality of art or arts spaces provided in the Plan, must be presented to the PAAC for review and comment prior to approval by the City Administrator or his or her designee.

*Arts Master Plan Implementation*

**Selection of Public Art**
All art to be installed on the Project Site will be selected by the Developer in conformance with the approved Arts Plan. The PAAC and Cultural Affairs Division will be consulted by the Developer for certain major works in key areas, such as new parks and open space or public rights-of-way, as identified in the Arts Plan.

All art to be installed off site in public spaces will be recommended by the Developer and approved by the City.

If established as identified above, an Arts Advisory Group will provide input on implementation, as set forth in the Arts Plan.
## Exhibit F
### Key Financial Terms

<table>
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<tr>
<th>Term</th>
<th>Description</th>
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<tbody>
<tr>
<td>On-Site Infrastructure</td>
<td>Developer to fund the cost of all onsite infrastructure, parks &amp; open space, which expenses may be reimbursed by up to 80% of the proceeds of an IFD over the Project site.</td>
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</tbody>
</table>
| Off-Site Transportation Improvements and Grade Separated Crossings | Based on cost estimates provided by the A's, the projected costs of offsite transportation infrastructure improvements, grade separation, and parking management total $351.9M. The parties are still negotiating how these costs will be allocated. Funding sources must be secured or authorized prior to entering into the Development Agreement.  

Developer to collaborate with and support the City in pursuing local, regional, State, Federal and other funds to defray the costs of offsite transportation infrastructure, parking management, and grade separation, which sources shall be secured and/or authorized prior to entering into the Development Agreement. Developer’s costs in securing such funds, if any, may be reimbursed by the proceeds of an IFD over the Project site. |
| Capital Improvements                      | Developer to fund renovations to Oakland Fire Department Station No. 2 in lieu of payment of Capital Improvements Impact Fees.                                                                                   |
| Maintenance                               | Developer agrees to establish a Community Facilities District over the Project site to pay for maintenance of all onsite infrastructure, parks and open space, and grade separated crossings. City to pay for maintenance of all offsite infrastructure. |
| Affordable Housing | City to require construction of on-site affordable housing, in lieu of payment of fees pursuant to O.M.C. Chapters 15.72.100 and 15.68.080 and consistent with California Redevelopment Law. California Redevelopment Law cannot be waived by the City.

The project will target a total of 30% affordability as follows:

The number of new on-site affordable units must total at least 15% of all new onsite units, or 17.5% of total the market rate housing units (in either case, equivalent to approximately 450 units, assuming full buildout of the Project), and shall be provided as follows:

- Onsite units affordable to very low income households to be provided in compliance with California Redevelopment Law
- All affordable units to be deed-restricted for a period of at least 55 years
- Affordable housing production to proceed at pace with market rate housing production

In addition, the City and County will set aside IFD funds (see Other Community Benefits below) over the Project site to support offsite displacement prevention strategies targeting another 450 units (15%), including new construction, preservation, renovation, down payment and senior assistance in the four impacted neighborhoods (West Oakland, Chinatown, Old Oakland, and the Jack London District).

All Developer expenses incurred for construction of onsite affordable housing in excess of Affordable Housing Impact Fee, and Jobs/Housing Impact Fee requirements and California Redevelopment law may be reimbursed by the proceeds of an IFD over the Project site. |
| Other Community Benefits | City/Port to establish a Community Fund, to be administered over the course of the 66-year Port lease, comprised, at a minimum, of funding from the following sources:

- Port’s Social Justice Trust Fund - $10 million projected over 10 – 15 years for workforce development.
- City and County set-aside from IFD - $50 million projected over 15 – 20 years for affordable housing.
- 0.75 percent condominium transfer fee - $340 million projected over 66 years.
- Payments in lieu of Transportation Impact Fees due under the O.M.C. - $11 million projected over 10 years.

City staff to work collaboratively with community stakeholders to establish a mutually acceptable framework for (a) governance of the fund and (b) community oversight to ensure that community benefits commitments included in the Development Agreement are met, both such requirements to be set forth in greater detail in the Development Agreement. |