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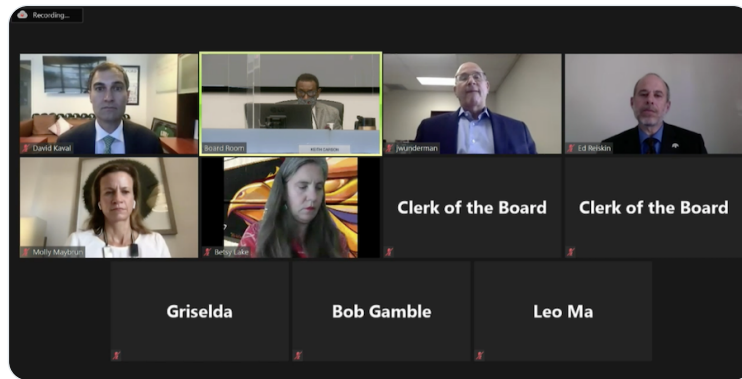
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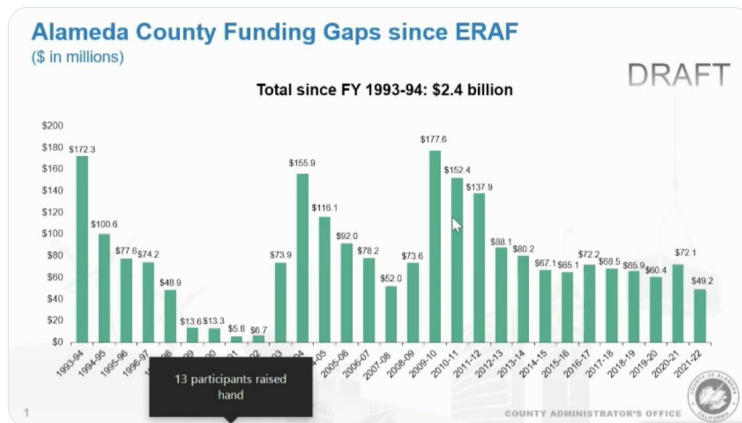
Alameda County Board of Supervisors Special Meeting re: [#HowardTerminal](#) live stream:
https://alamedacounty.granicus.com/player/event/4762?view_id=2&redirect=true

Supervisor Carson declares that the meeting will start in 5 minutes. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Sup Carson intros before the formal pres. [#HowardTerminal](#) [#AlamedaCountyBoS](#)



Carson lays out the County's funding gaps since the enactment of ERAF (Educational Revenue Augmentation Fund) [#HowardTerminal](#) [#AlamedaCountyBoS](#)



Sup Miley follows up after Carson, emphasizes County's desire to get out of the sports business.



Miley asks Dave Kaval how County is being asked to participate now. Kaval admits that initially Oakland was not going to involve Alameda County. 🌟

[#AlamedaCountyBoS](#) [#HowardTerminal](#)

Miley asks Kaval if there are alternatives that don't involve the County. Kaval says City was looking into a different off-site IFD structure that removes County from the picture. 🌟 [#AlamedaCountyBoS](#) [#HowardTerminal](#)

Kaval drops into familiar talking points about "We need an answer," which are eerily reminiscent of Lew Wolff's pitch to MLB on San Jose. We know that turned out.

[#AlamedaCountyBoS](#) [#HowardTerminal](#)

Carson asks Oakland City Administrator Ed Reiskin why AlCo needs to act so quickly. Reiskin says the City Council has given direction to ask for a declaration of intent, though Council itself hasn't made a similar declaration yet. 🌟 [#AlamedaCountyBoS](#)

[#HowardTerminal](#)

After Carson finishes the tag-team effort with Miley on the proposal, Sup Valle is given the dais. Valle feels that MLB is pressuring County and doesn't understand why private sector isn't funding this themselves. [#AlamedaCountyBoS](#) [#HowardTerminal](#)

BTW the preso hasn't officially started yet. Right now we're hearing the Sups' opening statements. [#AlamedaCountyBoS](#) [#HowardTerminal](#)

Sup Chan concurs that the County is surprised by City making this EIR funding request. 11th hour ask, it seems. [#AlamedaCountyBoS](#) [#HowardTerminal](#)

Carson says the County's action to sell its half of the Coliseum to the A's was to help foster a new stadium deal. County's "taking a haircut" is already a major contribution to the deal. 🌟 [#AlamedaCountyBoS](#) [#HowardTerminal](#)

Quick comment: I'm looking at Dave Kaval's box in the Zoom for beads of sweat. So far cool as a cucumber. [#AlamedaCountyBoS](#) [#HowardTerminal](#)

Miley backs up Carson's version of the Coliseum half-sale. [#AlamedaCountyBoS](#) [#HowardTerminal](#)



Carson warns that this has become to political. With that, Kaval's preso begins.

[#AlamedaCountyBoS](#) [#HowardTerminal](#)

I'm not going to recap Kaval's preso unless something new or unique comes out of it.

You've already heard/seen the talking points. [#AlamedaCountyBoS](#)

[#HowardTerminal](#)

Miley asks Kaval about the state of the EIR. Kaval continues to believe a Final EIR could be voted on (and certified?) in September. [#AlamedaCountyBoS](#)

[#HowardTerminal](#)

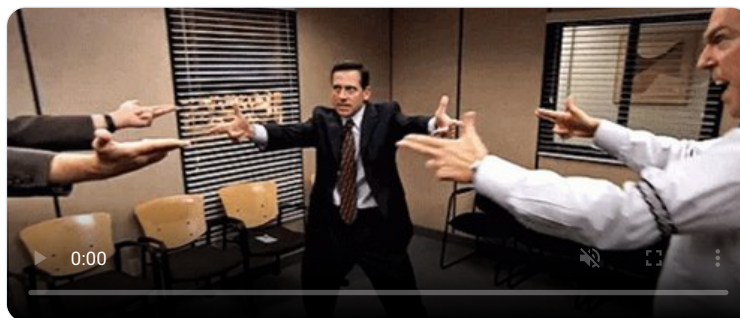
Again, I've heard that there's little chance the EIR will be certified until early 2022.

[#AlamedaCountyBoS](#) [#HowardTerminal](#)

Miley brings up how Jerry Brown killed the Uptown ballpark plan which was masterminded by Robert Bobb. Deep cut. Also says "Oakland is not San Francisco" in terms of history and uses. [#AlamedaCountyBoS](#) [#HowardTerminal](#)

Asked about the purchase of the entire Coliseum, Kaval says A's are fully focused on HT now that City is working with another entity for their half. [#AlamedaCountyBoS](#)

[#HowardTerminal](#)



Kaval confirms that the A's are "Howard Terminal or Bust" per Rob Manfred's direction. There is no future at the Coliseum, Kaval says. 🌟 [#AlamedaCountyBoS](#)

[#HowardTerminal](#)

Carson responds that Lew Wolff told him differently. Carson may have been referring to the Coliseum North plan, was not specific. [#AlamedaCountyBoS](#)

[#HowardTerminal](#)

Bay Area Council's Jim Wunderman steps up for his part of the preso.

[#AlamedaCountyBoS](#) [#HowardTerminal](#)

Wunderman recounts his time as SF Deputy Mayor and trials/tribulations with the Giants. Talks about how City of Oakland's ask is a tacit admission that they can't do it alone. 🌟 [#AlamedaCountyBoS](#) [#HowardTerminal](#)

Wunderman feels that ballpark at [#HowardTerminal](#) and working port can co-exist. Plays up Jack London Square's tourist potential which Miley was downplaying 10 minutes earlier. [#AlamedaCountyBoS](#)

Miley continues to push for the Coliseum. He worries that this decision could set Oakland and the region on the wrong course. Miley and Valle will take a tour of [#HowardTerminal](#) sometime in the future. [#AlamedaCountyBoS](#)

Chan emphasizes that this decision is being rushed. Asks Bay Area Council to work with the A's/MLB to allow County to delay decision until the fall. To choose now would be irresponsible. Chan doesn't feel pressure, she needs time to decide. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Valle has questions for Robert Gamble about IFD financing structure. There don't seem to be a lot of precedents especially of this scale. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Wunderman established himself as the lead cheerleader in the meeting, believing complex deals like this can work. Don't know if that will say any of the sups. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Note: We haven't heard much from County District 1 Sup David Haubert. His predecessor, Scott Haggerty, was much more involved in sports-related matters. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Betsy Lake of Oakland's City Administrator's office says the current deal offered by the A's in the term sheet is irresponsible. Asks county to commit with a NON-BINDING declaration. 🌟 [#AlamedaCountyBoS](#) [#HowardTerminal](#) [#smh](#)

Chan calls the City's claim that the County won't be on the hook for the EIFD *sophistry*. Chan asks why County is doing this if it's not to build a stadium. This is a great line of questioning that I will go over in a future post. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Chan gets Lake to admit that if the ballpark isn't built, waterfront area out to West Oakland becomes available for redevelopment. 🌟 [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Valle asks what would cause a default. Lake defers to Molly Maybrun, who has been waiting several minutes to provide more granular financial info. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

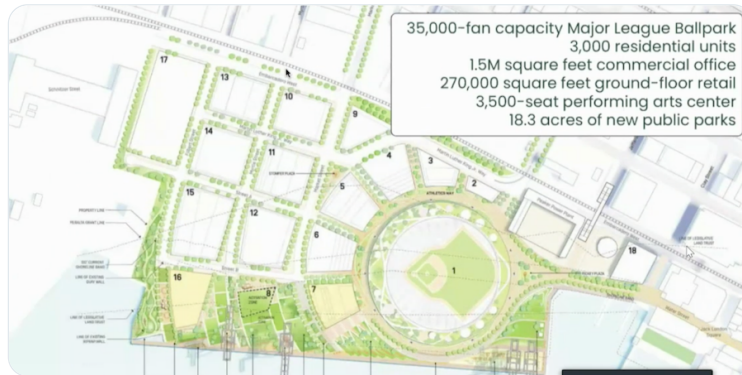
Before Maybrun presents, Miley asks Lake to confirm the "but for" status of Howard Terminal. She walks it back and says nothing gets built there without the ballpark. 🌟 [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Maybrun is giving her first preso in front of the County sups while in a hotel room in

Hawaii. Good god that sucks. 🌴🌀 [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Maybrun is giving an overview of the [#HowardTerminal](#) site, mentions Schnitzer Steel and other ancillary maritime uses nearby. [#AlamedaCountyBoS](#)

No housing would be built on blocks 13-17 because of their proximity to Schnitzer Steel. Office then? [#HowardTerminal](#) [#AlamedaCountyBoS](#)



Valle asks about negotiating the railroad tracks outside the [#HowardTerminal](#) site. Maybrun says the some people aren't likely to live adjacent to RR tracks.

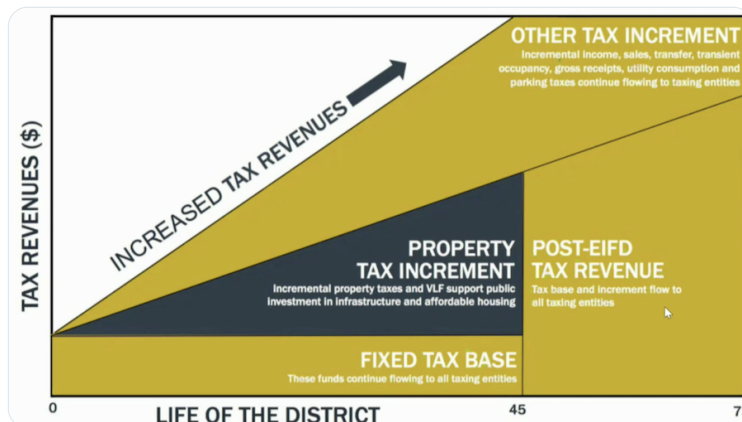
Valle tries to bring a potential default scenario back into the discussion, but Chan first has an affordable housing question. Maybrun says that 400 of the 3,000 planned units would be affordable. EIFD definition gets into the weeds. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Maybrun: It's often said this is a city project. It's a private developer project. The A's are the master developer. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Valle with the first sports analogy: County is in the bottom of the 9th down a grand slam. They were brought in late in the game. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Another comment: Preso is free of food analogies so far. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

We're getting close to food analogies now that we're talking about TIF. Maybrun says City started talking about projection models with the County this week. [#HowardTerminal](#) [#AlamedaCountyBoS](#)



Possible assessed value for [#HowardTerminal](#) IFD. [#AlamedaCountyBoS](#)

Underwriting Assumptions

Conservative by Design


ASSESSED VALUE ASSUMPTIONS [1]										
Use	Assessed Value Basis	Annual Rev/Sales \$ Per GSF	Other Revenue/Sales \$ Per GSF [2]	Annual Expenses \$ Per GSF	Occupancy	Net Operating Income \$ Per GSF	Cap Rate	Assessed Value per GSF	Total GSF	Total Assessed Value
Apartments [3]	Income Approach	\$48	\$17	\$22	95%	\$49	3.30%	\$754	1,351,330	\$1,169,130,000
Condominiums [4]	Sale Price	\$932	\$44	NA	NA	NA	NA	\$976	1,554,700	\$1,516,670,000
Office	Income Approach	\$51	\$5	\$4	90%	\$46	6.30%	\$710	1,497,000	\$1,062,440,000
Retail/Civic	Income Approach	\$36	\$7	\$2	90%	\$37	7.00%	\$527	252,000	\$133,180,000
Performance Center [5]	Tax Exempt	NA	NA	NA	NA	NA	NA	\$0	39,000	\$0
Hotel	Income Approach	\$123	\$38	\$123	83%	\$30	7.00%	\$428	302,700	\$131,600,000
Ballpark	Income Approach	NA	NA	NA	NA	NA	NA	\$544	1,000,000	\$544,000,000
Total Assessed Value in Today's Dollars [6]										\$4,557,580,000

Notes:
 [1] Assessed value underwriting assumptions provided in today's dollars.
 [2] Other revenue includes parking, fees, etc.
 [3] Excludes affordable units that would be exempt from property taxes.
 [4] Reflects average sales price.
 [5] The Performance Center is anticipated to be operated by a non-profit with a property tax exempt status.
 [6] The total assessed value is projected to be approximately \$7.6 billion in nominal dollars after all parcels have been developed.

Asked about the [#HowardTerminal](#) IFD, Kaval confirms that the A's as master developer aren't looking for a public bond. [#AlamedaCountyBoS](#)

Important to mention that County is only discussing participating in the [#HowardTerminal](#) IFD, not the Jack London IFD. Why? [#AlamedaCountyBoS](#)

Offsite / Jack London IFD - Why Not?



Oakland A's proposed 2nd IFD over the Jack London District and portions of West Oakland.

- Would capture primarily background growth in property taxes (6.8 v. 6.4%) v. "but for" revenues
- Increment and bonding capacity limited v. onsite IFD
- EIFDs have been used *exclusively* in combination with CFD previously; no EIFD debt issued to date
- CFDs requires 2/3 of owners to opt in to higher "special tax"
- EIFD protest procedure could prevent formation

Valle asks about developer practice of paying into a fund instead of actually providing affordable housing on site. Maybrun says that practice is being discouraged. (it's a form of NIMBYism) [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Infrastructure numbers include \$150 million budgeted for grade separation (over railroad tracks). [#HowardTerminal](#) [#AlamedaCountyBoS](#)

God love Sup Valle, he's still wants clarification on the default scenario. The answer he got was muffled because of poor audio. Maybrun reiterates that City/County not on the hook, all developer liability. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Projections of TIF revenue don't assume the same kind of rapid sales turnover the Bay Area is notorious for, only a 2% annual growth - i.e. inflation. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

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Apartments [3]	Income Approach	\$48	\$17	\$22	90%	\$40	8.30%	\$484	1,250,000	\$1,569,130,000
Condominiums [4]	Sale Price	\$932	\$44	NA	NA	NA	NA	\$976	1,594,700	\$1,516,870,000
Office	Income Approach	\$51	\$5	\$4	90%	\$46	6.50%	\$710	1,497,000	\$1,062,440,000
Retail/Civic	Income Approach	\$56	\$7	\$2	90%	\$37	7.00%	\$527	252,600	\$133,380,000
Performance Center [5]	Tax Exempt	NA	NA	NA	NA	NA	NA	80	39,000	30,000
Hotel	Income Approach	\$123	\$38	\$125	83%	\$30	7.00%	\$428	307,700	\$131,480,000
Ballpark	Income Approach	NA	NA	NA	NA	NA	NA	\$544	1,000,000	\$544,560,000
Total Assessed Value in Today's Dollars [6]										\$4,537,580,000

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- [6] The total assessed value is projected to be approximately \$7.6 billion in nominal dollars after all parcels have been developed.

- 2% annual growth in assessed values (v. 6.4% over last 20 years)
- No re-assessment upon condo sales (v. typical 7-year hold)
- No re-assessment upon sale of office/apartment buildings (v. typical 10-year hold)

Miley asks about the start and end of the defined TIF district. Maybrun says it could start once \$100k of increment is accumulated. Statutory limit is 45 years.

[#HowardTerminal](#) [#AlamedaCountyBoS](#)

Couple times now Kaval was asked about the A's being the master developer. He referred to "horizontal development" which basically means the ground-level space and infrastructure, not the upper floors of towers. [#HowardTerminal](#)

[#AlamedaCountyBoS](#)

You know what this slide looks like? The Coliseum JPA structure. [#HowardTerminal](#)

[#AlamedaCountyBoS](#)

Public Financing Authority (PFA)



- Legislative body that governs the EIFD
- County Board + City Council + two public members
- Directs preparation of the Infrastructure Financing Plan (IFP)
- Holds public hearings
- Authorizes issuance of bonds
- Conducts annual reviews / oversees independent audits

Big reason for the complex structure is to provide accountability. IFD cannot be expanded. Though it can be argued that a similar structure has not benefited the Coliseum one iota. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Infrastructure Financing Plan (IFP)



- Must be independently adopted by City & County
- Describes "public capital facilities" or other "projects of communitywide significance" to be financed by the EIFD
- Projects maximum annual tax increment & limits total dollars to be collected
- Specifies an expiration date
- Includes a fiscal impact analysis

Asked about the IFD lock-in once it's created, Maybrun says, "There's no getting out."

[#HowardTerminal](#) [#AlamedaCountyBoS](#)

Sorry guys, gonna have to cut out for a few minutes. Brb [#HowardTerminal](#)

[#AlamedaCountyBoS](#)

I'm back. Kaval is asked if there's a TIF revenue shortfall of say, 30%. Does the project pay for itself? He reiterates that A's are taking the risk, City/County not on the hook. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Underwriting Assumptions

Conservative by Design

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Performance Center [5]	Tax Exempt	NA	NA	NA	NA	NA	NA	\$0	39,000	\$0
Hotel	Income Approach	\$123	\$38	\$125	83%	\$30	7.00%	\$428	307,700	\$131,400,000
Ballpark	Income Approach	NA	NA	NA	NA	NA	NA	\$944	1,000,000	\$944,000,000
Total Assessed Value in Today's Dollars [6]										\$4,537,580,000

Notes:
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Chan counters that revenue to City/County will be lower as a result. That's the risk.

[#HowardTerminal](#) [#AlamedaCountyBoS](#)

Argh, I missed most of the apparently good questions from the Alameda County

Assessor. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Assessor asks about the Vistra parcels as taxable. Kaval says that the A's have a letter of intent to purchase the two parcels. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Chan asks the inevitable question: What happens if County can't deliver the vote by next week? Carson says it's angering County to be put in that position by City. Kaval says he needs to know before summer recess (August). Chan wants Sept vote 🌟

[#HowardTerminal](#) [#AlamedaCountyBoS](#)

Carson clarifies from Lake the City is asking for a NON-BINDING vote. He then launches into a great anecdote about how NON-BINDING is like telling your child you're planning for a Disneyland trip and then watching the \$ signs add up.

[#HowardTerminal](#) [#AlamedaCountyBoS](#)

Maybrun says that 60% of the Jack London IFD area (off-site) is undergoing rezoning. That's without the ballpark, and should positively affect TIF. If County opts in they benefit from the further uplift. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Lake says that the deal is being structured to avoid the revenue shortfall mistakes of the old Mt. Davis Coliseum renovation deal. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Further closing comments:

Chan doesn't want to vote until project is fully studied. Notes that site should have affordable housing on it, not just developer paying to put it elsewhere.

[#HowardTerminal](#) [#AlamedaCountyBoS](#)

Chan: 94%(?) of new housing is mkt rate. County wants out of sports because deals are complicated. [#HowardTerminal](#) [#AlamedaCountyBoS](#)

Miley: Wants more study, better deal, not take-it-or-leave-it. Is close to saying yes to NON-BINDING resolution but not without further study. [#AlamedaCountyBoS](#)
[#HowardTerminal](#)

Before Carson's final comments, he asks if an independent study should be done, or they could vote on HT next week if their minds are made up. [#AlamedaCountyBoS](#)
[#HowardTerminal](#)

Carson has the first food reference: Netflix's "High on the Hog". It's in relation to gentrification. [#AlamedaCountyBoS](#) [#HowardTerminal](#) netflix.com/title/81034518

Next up: 16 public commenters. [#AlamedaCountyBoS](#) [#HowardTerminal](#)

It appears that all of the public commenters are either muted or left, except for Zennie. [#AlamedaCountyBoS](#) [#HowardTerminal](#)

Zennie spent almost his entire 2 minutes with a self-aggrandizing preamble, goes over. Points at his projected TIF spreadsheet. Carson says staff concurs.
[#AlamedaCountyBoS](#) [#HowardTerminal](#)

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