

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: HONORABLE MAYOR, CITY COUNCIL, AND REDEVELOPMENT AGENCY BOARD	FROM: RICHARD DOYLE GENERAL COUNSEL
SUBJECT: SEE BELOW	DATE: SEPTEMBER 21, 2010

SUBJECT: MAJOR LEAGUE BASEBALL IN SAN JOSE

RECOMMENDATION

It is recommended that the City Council and Redevelopment Agency adopt resolutions:

- (a) Reaffirming the negotiating principles previously established and amended by the City Council; and
- (b) Supporting the efforts of the Oakland Athletics ownership to move the team to San José and the assistance of the Silicon Valley Leadership Group and other local groups in their efforts to bring Major League Baseball to San Jose.

OUTCOME

To demonstrate to Major League Baseball the tremendous support in San Jose/Silicon Valley for a Major League Baseball team and to convince Major League Baseball to allow the Oakland Athletics Baseball team to develop a Major League Baseball stadium in San Jose.

BACKGROUND

On April 7, 2009, and August 3, 2010, the City Council, by unanimous vote, affirmed its support of the efforts of the Oakland A's ownership to move the team to San Jose. Over the last several years, San Jose has worked methodically and enthusiastically to position itself to support a decision by Major League Baseball to move the A's to San Jose, including the following efforts:

- On May 12, 2009, the Council established Negotiating Principles for the development of a stadium.
- On May 19, 2009, the Council established a Good Neighbor Committee to provide a forum for neighbors to work collaboratively to determine mitigations that could arise from developments in the Diridon Station neighborhood.
- On September 15, 2009, an Economic Impact Analysis for the Proposed Major League Ballpark, with strong economic benefit findings, was accepted by City Council.
- In October 2009, City and Agency staff officially met with the MLB Committee to commence a several-month process of providing information and data for Committee consideration and to support recommendations to the Commissioner.
- On May 19 and June 15, 2010, the Planning Commission and City Council certified the Ballpark Final SEIR respectively.
- On August 3, 2010, the City Council and Redevelopment Agency Board, at the request of Major League Baseball, deferred a ballot measure to be held on November 2, 2010, which would have submitted to the electors of the City of San Jose, a measure authorizing the City and Redevelopment Agency to use Redevelopment funds to participate in a Downtown ballpark project.
- On September 10, 2010, through the efforts of the Silicon Valley Leadership Group, a letter from seventy five (75) of Silicon Valley's leading CEOs was sent to Major League Baseball urging Commissioner Selig to approve the Oakland Athletics move to San Jose.

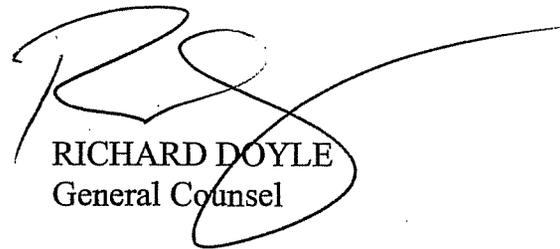
The San Jose City Council and the Redevelopment Agency Board have, on numerous occasions, expressed their support for Major League Baseball in San Jose. The Silicon Valley Leadership Group, including 75 of Silicon Valley's leading CEO's, have also expressed their support for Major League Baseball in San Jose. Various local organizations, including the San Jose Silicon Valley Chamber of Commerce, the San Jose Convention and Visitors Bureau, the San Jose Sports Authority and Baseball San Jose, have all expressed their support as well. Lew Wolff, the A's owner, is also on record as indicating he would prefer San Jose as the new home of the Oakland A's.

The City of San Jose and the Redevelopment Agency desire to re-affirm the negotiating principles that will guide the City's efforts in bringing a Major League Baseball stadium to San Jose. The Negotiating Principles as previously approved by the City Council are as follows:

1. No new taxes are imposed to fund ballpark-related expenditures.
2. The City must determine that the ballpark development will generate a significant economic benefit to the City and have a positive impact on City General Fund revenues.
3. No public funds shall be spent to finance or reimburse any costs associated with construction of the ballpark or construction of any on-site infrastructure or improvements needed for the ballpark.
4. No public funds of any kind are spent to finance or reimburse any ballpark operational or maintenance costs related to activities conducted by or under the authority of the baseball team that uses the ballpark either at the ballpark or in the streets surrounding the ballpark.
5. No public funds shall be spent to finance or reimburse the cost of any traffic control, street cleanup, emergency or security services within the ballpark site or within the streets surrounding the ballpark that are related to activities at the ballpark conducted by or under the authority of the baseball team.
6. If the property is leased for a ballpark, the baseball team must be willing, at the end of the term of the lease, either to purchase the property at fair market value or to do one of the following things at the City's option and at no cost to the City or the Redevelopment Agency:
 - a. Transfer ownership of the improvements to the City or Redevelopment Agency; or
 - b. Demolish the improvements and clear the site to make way for other development.
7. The entity that builds or operates the ballpark must be willing, if the City deems it appropriate, to make the ballpark available to the City during baseball's offseason for up to 10 days per year for community-related events, at no rental charge to the City.

8. The name of the baseball team must include San Jose.

San Jose has worked hard to put itself in position to move quickly once Major League Baseball makes a decision on the future of the Oakland A's. City and Redevelopment Agency staffs are motivated to continue their efforts towards the goal of bringing Major League Baseball to San Jose. The City Council and Redevelopment Agency Board desire to reiterate their continued support for Major League Baseball in San Jose and urge Major League Baseball to allow the Oakland A's to move to San Jose.



RICHARD DOYLE
General Counsel

C: Debra Figone, City Manager
Harry Mavrogenes, Executive Director