

APPROVED
MINUTES OF THE REGULAR MEETING OF THE
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY
Wednesday, September 1, 2010

The meeting convened at 7:03 p.m. with Vice Chair deHaan presiding.

1. ROLL CALL

Present: Boardmember Lena Tam
Boardmember Frank Matarrese
Boardmember Marie Gilmore
Vice Chair Doug deHaan

Absent: Chair Beverly Johnson (arrived at 8:00 p.m.)

2. CONSENT CALENDAR

2-A. Approve the minutes of the Regular Meeting of July 7, 2010.

2-B. Adopt a Resolution Amending Resolution No. 001 Amending the Order of Business of the Alameda Reuse and Redevelopment Authority Meeting.

2-C. Approve a Fourth Amendment to Agreement with Economic & Planning Systems, Inc., Increasing the Budget by \$25,000 for Providing Negotiation Support for the Redevelopment of Alameda Point.

Member Tam asked to pull Item 2-C, and moved to approve the balance of the Consent Calendar. Member Matarrese seconded the motion, which carried by following voice vote – Ayes: 4.

Member Tam requested more clarification on the amount of the EPS contract amendment and asked if SunCal was consulted on the overage, to which the Deputy City Manager, Development Services, responded in the affirmative, explaining that the Negotiating Cost Ledger has been made available to SunCal, and all invoices are included in the ledger.

Member Tam asked what the ENA obligations are if the budget or scope is exceeded for consultant contracts. The Deputy City Manager, Development Services, responded that contracts are separate from the SunCal Cost Recovery account, and the amount of the EPS contract has not exceeded any Cost Recovery provisions under the ENA.

Member Tam asked what the total budget was for EPS under the Cost Recovery Account, to which the Deputy City Manager, Development Services, responded that the total budget for the quarter was approximately \$372,000 for all consultants. Based on this clarification, Member Tam stated she will abstain from this item.

Member Gilmore asked if there are sufficient funds in the Cost Recovery account to cover the overage of the EPS contract amendment, to which the Deputy City Manager, Development Services, responded in the affirmative.

Member Gilmore asked if there is a mechanism in place if charges are disputed, to which the Deputy City Manager, Development Services, responded in the affirmative.

Member Matarrese moved for approval of Item 2-C. Vice Chair deHaan seconded the motion, which carried by the following voice votes: Ayes: 3, Noes: 0, Abstentions: 1 (Tam)

3. REGULAR AGENDA ITEMS

3-A. Adopt a Resolution Supporting the United States Navy's Transfer of 549 Acres of the Former Naval Air Station in the City of Alameda to the United States Department of Veterans Affairs for the Development of an Out-Patient Clinic and Columbarium.

The Deputy City Manager, Development Services clarified that the staff report combines an information piece which addresses the VA-NAVY deal, and requires no action; and a 'recommendation' portion to adopt a resolution in support of property transfer to the VA.

The Deputy City Manager, Development Services summarized the background of the proposed VA project and property transfer.

Member Tam inquired if it was necessary that the resolution exclude the 9.7 acres of the Least Tern colony, to which the Deputy City Manager, Development Services explained that the 9.7 acres is included, along with the buffer zone surrounding the Wildlife Refuge, which is more than half of the 549 acres.

The Deputy City Manager, Development Services introduced Larry Jaynes, Capital Asset Manager from the Department of Veteran Affairs. Mr. Jaynes gave a brief presentation of the status and projected timeline of the VA project.

Speakers: Proponents: Mark Chandler, Commissioner of the Alameda County Veterans Affairs Commission; Alex McElree, Operation Dignity; Aidan Barry.

Opponents: Gary Bard; Leora Feeney, Friends of the Alameda Wildlife Refuge (FAWR) Committee; Ron Barklow; Cindy Margulis; Michael Lynes, Golden Gate Audubon; Jean Sweeney; Jon Spangler; Jim Sweeney; Adam Gillitt; William Smith, Sierra Club; Joyce Larrick, FAWR; Nancy Hird

Chair Johnson inquired if there is a specific location identified in the resolution for the VA project, to which the Deputy City Manager, Development Services responded in the negative, further explaining that the 549 acres are part of a formal request that includes the specific property.

Vice Chair deHaan clarified that there was discussion by the Board that the old Phase 3, the area near the USS Hornet, is a feasible location for the VA project, but there are still options to be pursued.

Member Tam inquired whether this Fed to Fed transfer from the Navy to the VA is going to happen irrespective of whether or not the Board endorse it or oppose it, to which the Deputy City Manager, Development Services responded that there is a process that has to be followed in order for the Fed-to-Fed transfer to occur, which includes NEPA and a Section 7 Consultation. At this time, there are no guarantees that the process will be completed, but the assumption is that once the process is complete, the transfer will occur.

Member Tam brought attention to the alternative resolution from the Golden Gate Audubon Society which includes recognition that there should be protection for the Least Terns, based on a biological opinion issued by the US Fish and Wildlife.

Member Gilmore inquired why the VA was requesting 549 acres when they only require approximately 100 acres for their project, to which Mr. Jaynes replied that the Navy stated the transfer would be the 549 acres or nothing. Mr. Jaynes further explained that it is not part of the VA's mission to manage that portion of property, so the VA is planning to have a separate agreement with the USF&W to oversee the remaining 449 acres, just as the Navy has the same agreement with them right now; the funding will come from the VA instead of the Navy.

Member Matarrese inquired if the property was transferred to the ARRA, could the ARRA then dispose of it to the VA, to which the Deputy City Manager, Development Services responded in the affirmative. Mr. Jaynes expressed that there may be stumbling blocks without proceeding with the BRAC process.

Member Matarrese inquired whether the city will be able to participate in the VA project process, to which the Deputy City Manager, Development Services responded in the affirmative.

Member Gilmore requested more details from the VA regarding what their plans are with USFW, and the proposed annual budget, so that it does not become an afterthought.

Member Tam suggested adding the language from the Golden Gate Audubon Society regarding the protection of the Least Tern colony to the ARRA Resolution.

Vice Chair deHaan moved for approval of Item 3-A, with a revision to the Resolution adding "Whereas, the City of Alameda will continue to prioritize the protection and conservation of the California Least Tern in its planning documents and decisions". Member Matarrese seconded the motion, which carried by a unanimous voice vote: 5 Ayes.

3-B. Presentation: Alameda Point – 'Going Forward'.

The Interim City Manager announced that Item 3-C will be combined with 3-B into a single presentation. The presentation focused on a planning and assessment model for a going-forward approach for the development of Alameda Point. The Interim City Manager emphasized that this model is not a development plan, not a land use plan, or anything that requires actual legislative decision, it is a recommendation and topic for discussion. The presentation included seven key components of this approach: lessons learned, new structure, strategic alliances, development delivery systems, asset management police application, financial resources, and implementation schedule.

Vice Chair deHaan inquired who will comprise the team for this model approach, to which the Interim City Manager responded that familiar staff members, including the Deputy City Manager, Development Services; the Planning Services Manager, Public Works Director; and various consultants, will comprise the team.

Speakers: Adam Gillitt, Tony Daysog, Jean Sweeney, Jon Spangler, Alex McElree, Richard Bangert, Nancy Hird, Doug Biggs, Gretchen Lipow.

Vice Chair deHaan remarked that the timeline for this plan is very aggressive, and suggested compressing the timeline. The Interim City Manager clarified that the ambitious timeline doesn't

mean the base is going to be completed in 15 months, rather, the 15 months timeline is for planning an assessment. The Board will have an opportunity to augment the timeline in more detail after subsequent discussions and at subsequent meetings.

Member Matarrese stated that on strategic alliances, the regulators should be recognized, the EPA & DTSC for clean-up, and USF&W for the environmental. Regarding policy questions, Member Matarrese also expects certain questions to resurface, i.e., finances and how tax increment might be used, where the shortfalls are, how they will be backfilled, and where there are opportunities for early transfer for land that has already been cleaned up. Member Matarrese also suggested looking at the potential for having a citywide Project Labor Agreement (PLA). There also needs to be discussion about jobs-housing balance, to give an opportunity for public to weigh in on it. Member Matarrese remarked on the notion of using "other peoples money", i.e., funds from the Federal Government and MTC, as these funds could add up.

Member Gilmore echoed Member Matarrese's comments and requested to see a primer of what the lease environment looks like in the Bay Area, regarding the asset management application. If the ARRA is renegotiating leases, it would be good to know realistically what the competition is, in order to have a more realistic expectation in terms of putting in more capital into a building or not.

In terms of leasing strategy, Member Tam inquired whether or not there is opportunity to adjust the restriction in the LIFOC which says the Navy can give minimal notice to terminate a tenant, recommending that it is something that should be pursued.

There was discussion about the amount of documents that have been produced and compiled through the years, and where they are made available to the public on the City and Alameda Point websites. The Interim City Manager stated that staff is working on implementing a new Alameda Point website which will focus strictly on Alameda Point and the development project going forward.

3-C. Presentation: Citywide Asset Management Strategy – Alameda Point Application.

(This item was combined with 3-B)

4. ORAL REPORTS

4-A. Oral report from Member Matarrese, Restoration Advisory Board (RAB) representative

- Highlights of August 5 Alameda Point RAB Meeting.

Member Matarrese stated that there were a number of interesting documents that were presented at the August RAB meeting, including a report on IR Site 35, which is action sites that are in the very center of the property being transferred to the ARRA; a presentation on groundwater remediation at OU-2A, which discussed clean up; and communications from the RAB to the Navy. Member Matarrese remarked that the most interesting handout was an abstract done in concert with the Navy, EPA, Shaw Group (the contractor) and federal money from a SERDP grant through the University of Florida, Gainesville. The abstract depicts the results of a method of clean up of TCE (trichloroethene), Plume 4-1. Member Matarrese stated that this should be of interest to Alameda because it is being published in a scientific journal, it brings focus on what is going on at Alameda Point, and creates notoriety on methods that could be used at other bases. Handouts were provided to the Clerk for copies to be made and distributed.

5. ORAL COMMUNICATIONS, NON-AGENDA (PUBLIC COMMENT)

There were no speakers.

6. COMMUNICATIONS FROM THE GOVERNING BODY

None.

7. ADJOURNMENT

Meeting was adjourned at 10:03 p.m. by Chair Johnson.

Respectfully submitted,

A handwritten signature in cursive script, reading "Irma Glidden".

Irma Glidden
ARRA Secretary