

**APPROVED**  
**MINUTES OF THE REGULAR MEETING OF THE**  
**ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY**

**Wednesday, November 1, 2006**

**2-A**

**The meeting convened at 7:19 p.m. with Chair Johnson presiding.**

**1. ROLL CALL**

Present: Marie Gilmore, Boardmember, City of Alameda  
Doug deHaan, Boardmember, City of Alameda  
Frank Matarrese, Boardmember, City of Alameda  
Tony Daysog, Boardmember, City of Alameda

Absent: Beverly Johnson, Chair of Alameda

**2. CONSENT CALENDAR**

2-A. Approval of the minutes of the Regular Meeting of October 4, 2006.

Member Daysog pulled Item 2-A to articulate what he meant when he referenced certain letters regarding the ARRA's No-Cost EDC with the Navy. He reiterated his point that if we could return to the original understanding of the housing units that could be built-out per the documents agreed to by the ARRA and the Navy, perhaps we would not have to pay the \$108,000 million the navy is now requiring. Member Daysog wanted to make sure this point was captured in this evening's meeting, since it was missed in the Minutes of October 4th.

**2-B was motioned by Member Daysog, seconded by Member deHaan and passed by the following voice vote: Ayes – 3; Noes – 0; Abstentions – 1 (Member Gilmore was not present at the 10-4-06 ARRA meeting).**

2-B. Recommendation to approve consultant agreement with Moffatt & Nichol Engineers for Pier Condition Analysis at Alameda Point in an amount not to exceed \$170,226

**Approval of 2-B was motioned by Member Daysog, seconded by Member deHaan and passed by the following voice vote: Ayes – 4; Noes – 0; Abstentions – 0 .**

**3. REGULAR AGENDA ITEMS**

**3-A. Alameda Point Project Update**

Debbie Potter, Acting Alameda Point Project Manager, gave an overview on the Master Developer RFQ process. At the direction of the Board, the RFQ was issued on October 19<sup>th</sup> with a mandatory bidder's conference on Monday, October 30<sup>th</sup>. There were 20 firms that attended the bidder's conference. All due diligence documents were provided on a CD and an FTP site available for all interested firms, and a comprehensive download of the land planning, the environmental issues, the public trust, summary of term sheet; and an opportunity for those present to ask questions. One-on-one meetings were also offered with the firms intending to respond, with nine firms signed up. Responses are due December 4, 2006 and need to be

accompanied by a \$20,000 non-refundable filing fee. The responses received will be evaluated and brought back to the ARRA should we receive responses with a recommendation to enter into a 45-day negotiation period.

There was one speaker slip, Andrew Slifka, long-time Alameda resident and also a representative of the Carpenter's Union in Alameda County, and speaking on behalf of the Construction Building Trades Council of Alameda County. Mr. Slifka addressed concerns and disappointment with the Alameda Point Community Partners (APCP) withdrawal from the project since they had a Project Labor Agreement with APCP. He urged the Board to look at the same requirements for any developer that should come forward, because Project Labor agreements bring value to the community, well-paying jobs with benefits, careers and local work opportunities.

Member Daysog asked if specific questions regarding the financing of the project were outlined in the RFQ. He commented on the financing/business model associated with revitalizing the Catellus project and how it was distinct from the business model that was employed for the rest of Alameda Point. He also discussed incorporating a different business model.

David Brandt, Deputy Executive Director, responded that developers will be asked who their source of capital is and for a deposit of "earnest money" in the amount of \$1 million before a developer is selected. This information will be provided to the Board.

Member Daysog asked if the potential developers understood the amount of property open for redevelopment. Ms. Potter responded that the \$108 million purchase price is based on Phases 1 and Phases 2, which is essentially everything but the Wildlife Refuge and the area south of Atlantic Ave. and north of the 26-acre park, plus the golf course. David Brandt also clarified that we were careful to let the developers know that the PDC wasn't an entitlement.

Member Matarrese asked whether a Project Labor Agreement (PLA) was presented to the bidders as part of the package that APCP (former master developer) put together. Debbie Potter responded that a PLA was not included in the RFQ and that it was not a requirement of the City when the first master developer was selected; but that a PLA was voluntarily agreed to by at least two out of the three finalists during the first master developer selection process.

Member Matarrese requested that bidders be notified that a PLA was part of the original agreement and that the City does have a policy on prevailing wage. He was concerned that bidders would try to make their numbers work at the cost of labor. Ms. Potter said that a copy of the previously agreed-to document will be posted on the RFQ FTP site.

Member deHaan discussed extending the current month-to-month leasing policy to a year-to-year policy in anticipation that the master developer would start taking down property. David Brandt acknowledged that the current ARRA direction is that all leases over a year come to the ARRA, and that potential tenants are told that redevelopment is imminent so long term leases are not being offered. This is being reevaluated to decide whether to start bringing longer term leases to the ARRA.

Leslie Little, Development Services Director, agreed to revisit the leasing policy at the beginning of next year in anticipation of activity after the master developer selection process. She added that some tenants, approved by ARRA, have longer leases because they are making significant improvements and receive rent credit for those investments, not done by ARRA.

Member Gilmore wants the public to know what kind of timeline we're working with and asked what was the soonest possible time frame after the master developer is selected will we enter into an agreement (not even actually shoveling dirt or tearing down buildings, etc.) David Brandt responded that the soonest would be two years. Member Gilmore commented that this increases the timeframe "window" and recommended that when staff returns in January with the study session of the leases, it might be worthwhile to take a look at not just the 3<sup>rd</sup> and 4<sup>th</sup> phases, but the 1<sup>st</sup> and 2<sup>nd</sup> phases, too. Ms. Little clarified that we will be presenting an entire overview of all the leasing and it can be compared against the PDC.

**No action was taken on this item – it was an update and for informational purposes only.**

**3-B. Alameda Point Environmental Remediation Update: Western Shoreline – IR Sites 1,2, and 32, Soil at IR Site 25 (Coast Guard North Housing), and Compliance with Marsh Crust Ordinance**

Debbie Potter gave an update on the clean-up status of these specific IR sites, as requested at the October 4 ARRA meeting. Peter Russell, environmental consultant from Russell Resources, was available to answer questions from the Board as a follow-up to the staff report provided.

Member Matarrese's main concern was the Navy's option to install an engineered cap rather than a soil cover over landfill waste. Member Matarrese, along with the rest of the Board members, discussed at length their preferred alternative: having the Navy scoop out the landfill sites and haul it away.

Debbie Potter discussed the process by which Peter Russell reviews all documents the Navy promulgates regarding all IR sites. She explained that we comment during the public comment period, but we do it at a staff level. She agrees with Member Gilmore about the policy-level decision that we want clean-up to a level that supports the community reuse plan and the PDC, and that the Navy has committed to clean-up to the reuses that are identified in the PDC. Ms Potter further explained, and reiterated by Peter Russell, that the ARRA-preferred option to scoop and haul the landfill is not economically feasible – and an engineered cap is potentially equally effective. She said that the City advocated the engineered cap since the beginning when we secured the pilot grant from EPA. Ms. Potter stated that the engineered cap is financially viable and is scientifically the best solution, a decision staff concluded in consultation with environmental experts.

Member Matarrese commented that he had issues with the feasibility, that it didn't sound so daunting at the RAB meetings and that the scoop and haul option is actually feasible. Peter Russell responded that from a technical standpoint, the scoop and haul option would cost more. Debbie Potter sought direction from the ARRA as to a response for the public comment period due to the Navy by Nov. 10<sup>th</sup>.

**Member Matarrese motioned to direct staff to submit a letter to the Navy during the public comment period to include the ARRA policy aspect and endorse the preferred solution of scoop and haul, rather than an engineered cap. This motion was seconded by Member Daysog and passed by the following voice vote: Ayes – 4; Noes – 0; Abstentions – 0.**

#### **4. ORAL REPORTS**

##### **4-A. Oral report from Member Matarrese, RAB representative.**

Report was covered in discussion of Item 3-B, above.

#### **ORAL COMMUNICATIONS, NON-AGENDA (PUBLIC COMMENT)**

Mayoral Candidate, Kenneth Kahn, stated that it would be an honor to serve with all of the members of the Board.

#### **5. COMMUNICATIONS FROM THE GOVERNING BODY**

Member deHaan clarified a comment that was made regarding parolees working at Alameda Point. He stated that we indeed had parolees working at Alameda Point about 10 years ago through the Volunteers of America Program, under the control of the Navy. He explained that we were short of man-power, so we utilized San Quentin inmates that were being transitioned for landscaping and maintenance.

#### **6. ADJOURNMENT**

**Meeting was adjourned at 8:37 p.m.**

Respectfully submitted,

Irma Glidden  
ARRA Secretary