

MINUTES OF THE SPECIAL JOINT OF THE CITY COUNCIL,
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY (ARRA), AND
COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING
WEDNESDAY- -MARCH 5, 2008- -7:01 P.M.

Mayor/Chair Johnson convened the Special Joint Meeting at 7:14 p.m.

Roll Call - Present: Councilmembers / Board Members /
Commissioners deHaan, Gilmore, Matarrese,
Tam, and Mayor/Chair Johnson - 5.

Absent: None.

AGENDA ITEM

(08-110CC/08- CIC) Recommendation to approve the First Amendment to the Alameda Point Exclusive Negotiation Agreement between the City Council, ARRA, CIC and SSC Alameda Point, LLC to extend the timeline for several mandatory milestones and create a new Developer Consultant Costs account.

The Base Reuse and Community Development Manager gave a brief presentation.

Bill Smith, Alameda, discussed the economy.

Diane Lichtenstein, Housing Opportunities Makes Economic Sense (HOMES), stated that HOMES supports the staff recommendation.

Councilmember/Board Member/Commissioner deHaan stated the economy has changed; there were concerns regarding the Navy asking for \$108 million for the property; reviewed housing costs and subsidies; stated the housing market is declining by approximately 20%; inquired whether the project is feasible at this period of time.

Pat Keliher, SunCal, responded that he cannot predict the market; stated Alameda Point is a special place and is an incredible piece of land; nothing will be accomplished by hyper-focusing on what is going on today; some SunCal projects are not doing very well; all developers are having trouble in certain market segments; SunCal companies are financed individually; SunCal is still spending a lot of money on the Oak Knoll project, which is in the inner Bay Area and does not have the market risk found in Bakersfield or Modesto; money is still flowing for certain projects.

Councilmember/Board Member/Commissioner deHaan stated that adaptive reuse concerns were discussed; sequencing is important; he does not want to get caught up in homes being the main element.

Mr. Keliher stated housing is only one element of Alameda Point.

Councilmember/Board Member/Commissioner Matarrese stated that he is relieved to have a signed document; he hopes that the City is notified if any hiccups or disasters occur and does not find out through newspapers; the next six months are going to be intense; it is important to know early if there is no chance of attaining the project; the public needs to know what is going on in the next six months; the six-month extension is justified given the newly found technical information.

Councilmember/Board Member/Commissioner Matarrese moved approval of the staff recommendation.

Vice Mayor/Board Member/Commissioner Tam stated that deliverables are due very soon upon execution of the amendment; inquired whether the historic preservation and adaptive reuse technical analyses and market studies would have to be constantly revised; stated the market is changing and it is hard to capture a scenario in any one setting in order to develop a Performa in terms of negotiations with the Navy.

Mr. Keliher responded all documents are dynamic and fluid; stated status reports would be provided; he does not think that the City would want to spend \$25,000 every fifteen days on a market study.

Vice Mayor/Board Member/Commissioner Tam stated that SunCal has done a good job in keeping the City informed; more opportunities will be available to discuss the matter in the next six months.

Councilmember/Board Member/Commissioner Gilmore seconded the motion, which carried by unanimous voice vote - 5.

ADJOURNMENT

There being no further business, Mayor/Chair Johnson adjourned the Special Joint Meeting at 7:36 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk
Secretary, Community Improvement
Commission

The agenda for this meeting was posted in accordance with the Brown Act.