

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -MAY 18, 2010- -7:00 P.M.

Mayor Johnson convened the meeting at 7:33 p.m.

ROLL CALL - Present: Councilmembers deHaan, Gilmore, Matarrese, Tam
and Mayor Johnson – 5.
Absent: None.

AGENDA CHANGES

(10-221) Mayor Johnson announced the Special Council meeting schedule for 7:02 p.m.
would be held at 8:45 p.m.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY & ANNOUNCEMENTS

(10-222) Proclamation Declaring May 2010 as Older Americans Month.

Mayor Johnson read and presented the proclamation to Nancy Gormley.

Ms. Gormley thanked Council for the proclamation.

Mayor Johnson requested a brief description of how people can sign up for the senior shuttle.

Ms. Gormley stated registration needs to be done either on line or at the Mastick Senior Center.

Mayor Johnson inquired what is the age requirement.

Ms. Gormley responded sixty-two; stated seniors are able to ride the shuttle for free; the shuttle can accommodate two wheelchairs; two different schedules run on Tuesday, Wednesday, and Thursday.

(10-223) Proclamation declaring May 22 as Harvey Milk Day.

Mayor Johnson read and presented the proclamation to Brian Harris and Ryan Kelley-Cahill from Alameda Community Learning Center (ACLC).

Mr. Harris and Mr. Kelley-Cahill thanked Council for the proclamation.

(10-224) One-Year Follow Up on Fiscal Sustainability Committee Report.

The City Treasurer and City Auditor gave a Power Point presentation.

In response to Mayor Johnson's inquiry, the City Treasurer stated some local

governments could have a 40% increase for local safety; new rates will reflect investment losses and actuarial changes that PERS is making.

The City Treasurer continued the presentation.

Mayor Johnson inquired whether deferred maintenance includes facilities, to which the City Treasurer responded in the affirmative.

Vice Mayor deHaan thanked the City Treasurer and City Auditor for the presentation; stated the gain in reserves over the last two years has not been obligated.

The City Treasurer stated reserves have gotten better, but the City is still far behind; the problem is that maintenance and retiree medical costs are not discretionary and do not go away; costs are growing exponentially.

Vice Mayor deHaan stated Oakland's roads are deteriorating rapidly; the City has to ensure that steps are taken to continue on the right track; the City's property values have not dropped; inquired what was the percentage of growth in property taxes last year, to which the Interim City Manager responded 0.5%.

Vice Mayor deHaan inquired what was the growth in good years, to which the Interim City Manager responded 8.5%.

The City Treasurer stated Alameda is not the first city to deal with the issue; other cities have found solutions; the City can learn from San Francisco and San Jose.

Mayor Johnson inquired whether anyone from PERS is scheduled to address the matter.

The Interim City Manager responded John Bartel is scheduled to be at the June 1st Council Meeting to discuss the PERS' actuarial; stated that she is trying to get a PERS representative to attend the June 15th Council Meeting to confirm the growth before budget adoption.

Mayor Johnson stated any news from PERS seems to be bad and gets worse as time goes by; stated PERS has not written the multi billion dollar Mountain House investment loss into its portfolio; money for the Mountain House investment will never be regained.

The Interim City Manager stated the assumed rate of return for PERS is 7.34%; however, PERS is talking about reducing the rate of return to 6%.

The City Treasurer stated the defined benefit plan, not PERS, is the problem; when anything goes wrong it is the City's problem; PERS started a smoothing process in which payments were spread out over thirty years; inquired whether the City has received anything formal [from PERS].

The Interim City Manager responded in the negative; stated Mr. Bartel would be

discussing the issue at the next Council Meeting.

The City Treasurer stated the Fiscal Sustainable Committee Report assumes that the City will continue with current policies.

Councilmember Gilmore stated everyone realizes there is a need for change; changes will not be in one area but more broad based; a government's function is to provide services to citizens; community discussions need to address service level changes, what is valued, and what cuts people are willing to have made; Councilmembers have to lead the way.

The City Treasurer stated government's job is to provide services at a level commensurate with revenue received, not commensurate with demands; Next 10 has a program called the California Budget Challenge; the program is an interactive exercise which allows an individual to try and balance California's budget; that he is hoping to bring a similar program to Alameda.

Councilmember Tam stated revenue and expenses are linked; seventy-five percent of the budget goes for personnel; personnel is needed for deferred maintenance; last time, the Fiscal Sustainability Committee discussed what type of development would be needed to generate revenue for the types of services the community wants; the City has sought Measure B funding for pothole repairs, the Paratransit program, street resurfacing, and signage, and funding for Fire safety, but said funding not factor into the burden; the future burden is all on the City; inquired whether a future presentation would address how to grow the pie.

The City Treasurer responded the Fiscal Sustainability Committee did not take grants into consideration; stated that he does not know whether grants will continue at the State level; the City should go after grants whenever possible.

Councilmember Tam stated addressing the need for more retail to generate revenue is a difficult discussion.

Councilmember Gilmore stated the need for retail has to be balanced against the traffic it causes.

The City Treasurer stated input needs to be solicited.

Councilmember Matarrese stated that he appreciates the presentation; he has requested to have the budget easily available on the website; urged the public to attend budget sessions; stated bargaining units have foregone pay increases; the management team has been contracted; a budget session will be held on June 19th; the reserve level still needs to be discussed.

The City Treasurer stated the rule of thumb is to have three to six months of cash; his approximation is that the City has a twenty-two day reserve.

Councilmember Matarrese stated the City is in the “pay-as-you-go” mode and cannot address unfunded liabilities such as deferred maintenance.

The City Treasurer stated the City is not starting at zero [in the budget] but is starting at negative \$8 million.

Mayor Johnson inquired whether the upcoming budget would be dealing with the negative \$8 million.

The Interim City Manager responded the City is still trying to recover some negative cash; stated the City can only afford to put \$100,000 into the deferred maintenance budget this year; staff has not started to touch the deferred maintenance negative; staff is trying to recover the negative cash; there has been a 10% staff reduction; focus needs to be on risk management and workers compensation; joint power authorities expect the City to have a funded reserve; joint power authorities have not required cities to show an earmarked reserve if there is a healthy cash reserves in the General Fund; now, cities are using cash reserves; some cash needs to be put away for mandated reserves.

In response to Vice Mayor deHaan’s inquiry, the Interim City Manager stated the California Chief Legislative Analyst indicated that growth would be difficult until 2014; the new forecast is that a household will not have discretionary income until 2018.

Vice Mayor deHaan stated the City is not able to take care of what is necessary and is not getting a higher rate of return; inquired why the Other Post Employment Benefit (OPED) deficit is higher, to which the City Treasurer responded everything is based on assumptions.

The Interim City Manager stated medical insurance has dropped by several percentage points.

Vice Mayor deHaan stated there has been some stabilization.

The City Treasurer stated medical costs would not remain the same.

CONSENT CALENDAR

Mayor Johnson announced that the Resolution Authorizing the City of Alameda Fire Department to Access Federal Level Summary Criminal History [paragraph no. 10-238] was withdrawn from the agenda.

Councilmember Tam moved approval of the Consent Calendar.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the

paragraph number.]

(*10-225) Minutes of the Special and Regular City Council Meetings held on May 4, 2010. Approved.

(*10-226) Ratified bills in the amount of \$6,907,995.69.

(*10-227) Recommendation to Accept the Quarterly Treasury Report. Accepted.

(*10-228) Recommendation to Approve Letter of Support of 100 Best Cities for Young People Application. Accepted.

(*10-229) Recommendation to Set a Public Hearing to Consider Collection of Delinquent Administrative Citation Fees Via the Property Tax Bills for June 1, 2010. Accepted.

(*10-230) Recommendation to Set a Public Hearing for Delinquent Integrated Waste Management Charges for June 15, 2010. Accepted.

(*10-231) Recommendation to Accept the Work of NorCal Pipeline Inspection for Citywide Sewer Mains and Laterals Video Inspection, Phase 2, No. P.W. 07-08-19. Accepted.

(*10-232) Resolution No. 14440, "Declaring the City's Intention to Revise the Sewer Service Charge and Establishing Procedures for Accepting Protests Pursuant to Article XIIID, Section 6(a) of the California Constitution Regarding Property-Related Fees and Charges." Adopted.

(*10-233) Resolution No. 14441, "Approving a Fifth Amendment to the Agreement with the California State Coastal Conservancy to Implement Spartina Eradication and Mitigation Measures and Authorize the Interim City Manager to Execute All Necessary and Required Documents." Adopted.

(*10-234) Resolution No. 14442, "Authorizing the Interim City Manager to Submit a Request to the Metropolitan Transportation Commission for the Allocation of \$121,000 in Fiscal Year 2010-2011 Transportation Development Act, Article 3 Funding, for Upgrades to the Bicycle Facility Signage and Sidewalk Improvements, and to Execute All Necessary Documents." Adopted.

(*10-235) Resolution No. 14443, "Authorizing the Interim City Manager to Submit an Application for Measure B Paratransit Funding for fiscal year 2010-2011, and to Execute All Necessary Documents." Adopted.

(*10-236) Resolution No. 14444, "Ratifying the Public Utility Board's Approval of the Termination of the Natural Gas Procurement Program Third Phase Agreement and Authorizing the General Manager of Alameda Municipal Power to Execute the

Termination of the Agreement.” Adopted.

(*10-237) Resolution No. 14445, “Resolution of Intention to Levy an Annual Assessment on the Alameda Business Improvement Area of the City of Alameda for Fiscal Year 2010-2011 and Set a Public Hearing for June 1, 2010.” Adopted.

(10-238) Resolution Authorizing the City of Alameda Fire Department to Access Federal Level Summary Criminal History for Emergency Medical Technicians Certification. Not adopted.

(*10-239) Ordinance No. 3017, “Adding Subsection 30-5.15 to the Alameda Municipal Code to Prohibit the Operation of Medical Marijuana Dispensaries in the City of Alameda. Finally passed.

CITY MANAGER COMMUNICATIONS

(10-240) Correspondence from Alameda Hospital Regarding City-Hospital Subcommittee

The Interim City Manager gave a brief presentation.

Councilmember Matarrese stated the subcommittee idea was not favorably received; a joint presentation would be beneficial for the public; that he would be very interested in hearing details of plans to keep the Hospital open.

The Interim City Manager stated the Hospital is working on a business plan.

Councilmember Tam stated that she supports the idea of having a presentation on a regular basis; when she was on the Hospital Board, meetings were not well attended and not televised.

(10-241) Request that AC Transit Not Alter Line 51A Prior to Conducting Appropriate Public Hearings

The Supervising Civil Engineer gave a brief presentation.

Councilmember Gilmore stated that she assumes AC Transit staff wants to combine lines due to budget constraints.

The Supervising Civil Engineer stated the matter is not related to budget issues; buses had to run on Keith Avenue in Oakland near the Rockridge BART station when the line split; residents were concerned with having busses run in front of their homes; residents complained to [Oakland] Councilmembers and AC Transit staff; a decision was made at staff level without going through a public process; a Board decision should be made.

Speakers: John Knox White, Alameda, submitted letter; Michael Krueger,

Transportation Commission.

Councilmember Tam inquired how many members are on the Transportation Commission.

The Supervising Civil Engineer responded currently, four members; stated two members will term out in June; only two members would remain after June 30th.

Councilmember Tam stated the matter should be vetted through the Transportation Commission.

Mayor Johnson disagreed; stated the matter is urgent.

Councilmember Tam stated that she understands that an endorsement letter should be sent; the letter [submitted by Mr. Knox White] requests a public hearing urging AC Transit to reconsider the matter; that she is suggesting the best process for Alameda is to have the matter vetted before the Transportation Commission; a fully seated Commission would be needed.

Councilmember Matarrese stated that he concurs with Councilmember Tam regarding the need to fill Transportation Commission vacancies; AC Transit staff intends to make cuts in June; a staff level decision was made because of low mileage for the length of the line; he thinks the letter should be sent to the AC Transit Director as well as the Board Members.

The Supervising Civil Engineer stated the Transportation Commission endorsed the letter.

Mayor Johnson inquired whether the letter addresses the AC Transit process that allowed the situation to occur, to which Councilmember Tam responded in the affirmative.

Councilmember Tam moved approval of sending the letter to AC Transit.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote – 5.

Vice Mayor deHaan stated staff should modify the letter for clarity.

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Mayor Johnson called a recess at 8:46 p.m. and reconvened the meeting at 11:52 p.m.

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(10-242) Councilmember Tam moved approval of continuing the meeting past 12:00 a.m. midnight.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote -5.

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Mayor Johnson called a recess at 11:53 p.m. and reconvened the meeting at 12:01 a.m.

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(10-243) Urban Farm and Garden Plan

The Interim City Manager gave a brief presentation.

Mayor Johnson and Councilmember Matarrese stated the Plan is good.

Councilmember Gilmore inquired whether the Plan would include the school community gardens, to which the Interim City Manager responded in the affirmative.

Mayor Johnson stated the soil in Alameda is better than other areas of the region.

Councilmember Tam stated Bay Farm Island used to be a farm; overlaying existing parks is a great idea; that she would caution using Alameda Point because there is so much clean up.

Mayor Johnson stated raised gardens are being used.

The Interim City Manager stated the Plan would be easier for natural flora and fauna.

Vice Mayor deHaan stated Alameda had many farms; the triangle area near Washington Park has been discussed [as a possible site].

Mayor Johnson stated the area is called Portola Triangle.

REGULAR AGENDA ITEMS

(10-244) Recommendation to Accept the Third Quarter Financial Report.

The Interim City Manager gave a brief presentation.

Councilmember Matarrese inquired about the State Board of Equalization liability.

The Interim City Manager stated the City would exhaust the administrative appeal process; staff is having discussions with Livermore; a lot of cities are trying to resolve issues.

Councilmember Matarrese stated money needs to be set aside.

The Interim City Manager stated that she is not as negative about losing the full \$1.1 million as she was eighteen months ago; continued the presentation.

In response to Vice Mayor deHaan's inquiry, the Interim City Manager stated in the last two and a half years, the total cash has gone from \$223 million to \$180 million.

Councilmember Tam stated the 3rd Quarter Treasury Report ending March 31st shows a cash asset of \$129,866,000; the Interim City Manager stated that the City has less than 90-days working capital; inquired how much is spent per month.

The Interim City Manager responded approximately \$6 million per month; \$20 million would be needed for a 90-day working capital.

Councilmember Tam requested an explanation of the \$129 million.

The Interim City Manager stated the City had \$129 million available at the end of March; Alameda County receives redevelopment property taxes in May; the second installment [of property taxes] is received in April; cash will go up this quarter; the City is quarters behind in receiving gas tax receipts; Measure B is down 18%; continued the presentation.

Vice Mayor deHaan stated the City needs to be self-sufficient.

The Interim City Manager stated being cash rich in a depression is important.

Councilmember Gilmore stated being cash rich is the fiscal equivalent of needing a certain amount on hand for earthquake preparedness.

The Interim City Manager stated having cash puts the City in an excellent position to hedge off delays in receipts of checks; continued the presentation.

Councilmember Matarrese moved approval of the staff recommendation.

Councilmember Tam seconded the motion, which carried by unanimous voice vote – 5.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

None.

COUNCIL COMMUNICATIONS

(10-245) Vice Mayor deHaan stated the trees at the Golf Course are coming back; Alameda and Monarch Bay in San Leandro use recycled water; Metropolitan Links uses well water; East Bay Municipal Utility District (EBMUD) does not check the salt content [of recycled water]; the cost for recycled water is 70% to 80% of the amount for potable water.

(10-246) Consideration of Mayor's Nominations for Appointment to the Commission on Disability Issues and Youth Advisory Commission.

Mayor Johnson nominated Kelly Harp for appointment to the Commission on Disability Issues and Jeanette Mei for appointment to the Youth Advisory Committee.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the meeting at 12:31 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF SPECIAL CITY COUNCIL MEETING
TUESDAY- -MAY 18, 2010- -6:00 P.M.

Mayor Johnson convened the meeting at 6:20 p.m.

Roll Call – Present: Councilmembers deHaan, Gilmore, Matarrese, Tam and Mayor Johnson – 5.

Absent: None.

The meeting was adjourned to Closed Session to consider:

(10-217) Conference with Labor Negotiators; Agency negotiator: Joe Wiley;
Employee organization: Charter Officers.

Following the Closed Session, the meeting was reconvened and Mayor Johnson announced that regarding Charter Officers, no action was taken.

Mayor Johnson stated an issue was raised regarding noticing; the City Attorney provided the Council with her opinion that the matter was properly noticed under the Brown Act.

Mayor Johnson called a recess at 7:20 p.m. and reconvened the meeting at 12:25 a.m.

The meeting was adjourned to Closed Session to consider:

(10-218) Conference with Legal Counsel – Anticipated Litigation; Significant exposure to litigation pursuant to subdivision (b) of Section 54956.9; Number of cases: One.

(10-219) Conference with Labor Negotiators; Agency negotiators: Interim City Manager; Employee organization: Executive Management.

(10-220) Public Employment; Title: Interim City Manager.

Following the Closed Session, the meeting was reconvened and Mayor Johnson announced that regarding Anticipated Litigation, Council received a briefing from Legal Counsel on a matter of anticipated litigation and provided direction to Legal Counsel; regarding Executive Management, Council received a briefing from the Interim City Manager on the structure of an agreement with Executive Management; and regarding Public Employment, the Interim City Manager discussed a provision of her Contract which will be further discussed in open session for action.

Adjournment

There being no further business, Mayor Johnson adjourned the meeting at 1:17 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE SPECIAL JOINT CITY COUNCIL,
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY (ARRA), AND
COMMUNITY IMPROVEMENT COMMISSION (CIC) MEETING
TUESDAY- -MAY 18, 2010- -7:01 P.M.

Mayor/Chair Johnson convened the meeting at 9:04 p.m.

ROLL CALL - Present: Councilmembers / Board Members / Commissioners deHaan, Gilmore, Matarrese, Tam and Mayor/Chair Johnson – 5.

Absent: None.

CONSENT CALENDAR

Councilmember/Board Member/Commissioner Matarrese moved approval of the Consent Calendar.

Councilmember/Board Member/Commissioner Tam seconded the motion, which carried by unanimous voice vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*10-248 CC/ARRA/10-31 CIC) Minutes of the Special Joint City Council, ARRA and CIC Meeting Held on May 4, 2010.

(*10-32 CIC/ARRA) Recommendation to Accept the Third Quarter Financial Report.

CITY MANAGER/EXECUTIVE DIRECTOR COMMUNICATION

(*10-249 CC/ARRA/10-33 CIC) Semimonthly Update on SunCal Negotiations

The Deputy City Manager – Development Services gave a brief presentation.

In response to Councilmember/Board Member/Commissioner Gilmore's inquiry, the Deputy City Manager – Development Services stated the Veterans Administration (VA) Section 7 consultation is part of the regulatory process that the VA has to go through; consultations are required because the conveyance of the land is considered to have a potential impact on the least turn colony; that she spoke to the Navy this week regarding questions that came up at the May 6th meeting; the Navy is preparing responses; responses will be brought back at the next ARRA meeting.

Vice Mayor/Board Member/Commissioner deHaan inquired whether Optional Entitlement Agreement (OEA) concerns are being tackled now.

The Deputy City Manager – Development Services responded staff is walking through project planning issues raised in the staff report.

Vice Mayor/Board Member/Commissioner deHaan inquired whether SunCal would be presenting anything this evening, to which the Deputy City Manager – Development Services responded SunCal would be available to answer any questions but would not make a presentation.

Councilmember/Board Member/Commissioner Tam stated the Planning Board raised germane land use issues, which would require a lot of public outreach; inquired whether there is a next step regarding how issues would be addressed during the public comment period.

The Deputy City Manager – Development Services responded one objective is an Environmental Impact Report (EIR) scoping session, which has its own process; the other objective is taking comments on the plan itself.

Speakers: Doug Siden, Alameda; Andrew Slivka, Alameda County Carpenters Union; and David Howard, Alameda.

AGENDA ITEMS

(10-250 CC/ARRA/10-34 CIC) Recommendation to Review and Accept Presentation on SunCal Modified Optional Entitlement Application

The Deputy City Manager – Development Services and the Planning Services Manager gave a Power Point presentation.

Vice Mayor/Board Member/Commissioner deHaan inquired how many homes were in the Preliminary Development Concept (PDC), to which the Planning Services Manager responded 1,800, which included the Collaborative.

Vice Mayor/Board Member/Commissioner deHaan inquired whether the commercial square footage was 3.4 million, to which the Planning Services Manager responded in the affirmative.

Vice Mayor/Board Member/Commissioner deHaan inquired whether an EIR supported the Community Reuse Plan.

The Planning Services Manager responded there is a finished EIR on the Community Reuse Plan and the Alameda Point General Plan amendment; stated the General Plan amendment looked at around 18,000 residential units and 2.3 million square feet of commercial.

Vice Mayor/Board Member/Commissioner deHaan stated immense transportation concerns came out of the EIR inquired whether Measure B has similar mitigations.

The Planning Services Manager responded the Election Report contained a lot of assumptions because the [Measure B] transportation plan was so vague.

Vice Mayor/Board Member/Commissioner deHaan stated SunCal shows 2,100 homes at 50 units per acre in the density bonus project; inquired whether there is anything similar within the City.

The Planning Services Manager responded older apartment buildings off of Webster Street have three or four stories on small lots with very little parking; stated that he does not know of any similar blocks.

Vice Mayor/Board Member/Commissioner deHaan stated Summer Home has 36 units per acre; SunCal showed 70 units at the Planning Board presentation.

The Planning Services Manager stated 70 units was a mistake; the density bonus plan proposes up to a maximum of 50 units per acre.

Vice Mayor/Board Member/Commissioner deHaan stated 50 units per acre is almost half of the project; inquired whether SunCal is using relegated open spaces.

The Planning Services Manager responded SunCal wants to have some blocks up to 50 units per acre around the transit corridor; stated the rest would be spread out.

Vice Mayor/Board Member/Commissioner deHaan inquired whether increasing affordable housing from 15% to 25% has been discussed.

The Planning Services Manager responded the plan proposes 25%; stated details are not known.

Vice Mayor/Board Member/Commissioner deHaan inquired whether the baseline of the PDC was in the Exclusive Negotiating Agreement (ENA).

The Deputy City Manager – Development Services responded the Request for Qualification (RFQ) process talked about implementing the PDC project, but the ENA does not specify the PDC project.

Vice Mayor/Board Member/Commissioner deHaan stated that he thought the baseline of the PDC was in the ENA.

The Deputy City Manager – Development Services stated that she does not remember the PDC being called out.

Vice Mayor/Board Member/Commissioner deHaan stated the ENA inferred the PDC baseline and allowed looking at modifying Measure A.

The Deputy City Manager – Development Services responded the ENA has been amended twice; the ENA was amended the first time in order to provide some time for shifting milestones; the ENA was amended the second time to allow for a ballot initiative and dealt with adding an investor and allowing a one year extension.

Vice Mayor/Board Member/Commissioner deHaan inquired what were the key items in the ballot initiative.

The Deputy City Manager – Development Services responded the ballot initiative consisted of a Charter amendment, a specific plan, a General Plan amendment, a zoning amendment, and a development agreement; stated the ballot initiative included almost all entitlements with the exception of the Disposition and Development Agreement (DDA).

Councilmember/Board Member/Commissioner Tam stated focus should be on what is wanted: job creation costs, work force housing, 25% affordable housing, recreational amenities, public facilities and all infrastructure associated with the commercial development; the EIR process is supposed to help look at the spectrum of alternatives and to understand impacts associated with traffic; not realizing that there would be significant upfront costs for amenities would be naive; the project has to be fiscally neutral; facilities would need to generate sufficient revenues to pay for infrastructure; that she is not hearing what is the balance; inquired whether there is a process to resolve the issues, to which the Deputy City Manager – Development Services responded currently, staff is in the process.

Councilmember/Board Member/Commissioner Tam stated that she would like to scope the full spectrum of alternatives, understand impacts associated with each alternative, and see whether impacts associated with alternatives could be mitigated; the City has a master developer as a partner until July 20th; the plan should not be referred to as a master developer's plan but should be the City's plan; the plan should be developed accordingly.

Speakers: John Knox White, Alameda; Jon Spangler, Alameda; Jim Sweeney, Alameda; Helen Sauce, HOMES; Jean Sweeney, Alameda (provided handout); Susan Decker, Alameda; Michael Krueger, Alameda; Nancy Hird, Alameda Architectural Preservation Society; Kent Lewandowski, Sierra Club; Christopher Seiwald, Alameda; Rosemary McNally, Alameda; Lois Pryor, Renewed Hope; Darcy Morrison, Alameda; Joe Mallon, Alameda; William Smith, Alameda; Janet Davis, Alameda; Jay Ingram, Alameda; Andreas Cluver, Alameda County Building Trades Council; Alan Tubbs, Naval Air Museum; and Ashley Jones, Alameda.

Councilmember/Board Member/Commissioner Matarrese stated questions need to be worked into the process; providing some frame of reference is important; the progression of the residential unit burden needs to be addressed including the Conveyance Plan, PDC, Measure B, and Optional Entitlement Application (OEA); that he would like to have the issue measured against Associated Bay Area Governments (ABAG) obligations; more depth is needed regarding the economic development strategy, including the type of commercial activity, intra-City commute, and meeting the original base reuse and alignment mandate to replace jobs that disappeared when the former Naval Base closed; requested a report on financial conditions that were present in the run up to Measure B and the status of the large delta between SunCal estimates and/or caps on public amenities versus Public Works' estimate; a report is needed on whether the \$1.8 million burden that was in the draft term sheet with the Navy back in 2006 is still relevant and if not whether there is a way to portion out some of the clean up at the end of the process; that he would like to have an analysis and presentation from the City and SunCal regarding how to ensure that the City does not become a Albuquerque; a risk analysis is needed; the signed Project Labor Agreement is a positive and has always been a requirement; that he is glad the Agreement was signed after three years; an intense time is needed for filling in facts, then decisions can be made.

Vice Mayor/Board Member/Commissioner deHaan stated SunCal made a presentation to the Planning Board last week; inquired whether the ideas in the presentation were conceptual.

Mr. Brown responded the Density Bonus option was presented and is the plan that SunCal intends to build within the community.

Vice Mayor/Board Member/Commissioner deHaan provided a handout; stated the highlighted section on page 6 sits directly over the contaminated area and is a high density area which is approximately one mile from the transportation center; the back page shows embedded garages and sixty-five foot buildings with no set backs; inquired whether the drawing is conceptual.

Mr. Brown responded the product is intended to be an urban product that would fit in with the overall community vision; stated the complex would have zero or small set backs.

Vice Mayor/Board Member/Commissioner deHaan stated the example shows a picture of a very dense building adjacent to a railroad track; page 5 shows an artist's rendition of what the ferry terminal would look like; inquired what is the size of the buildings.

Mr. Brown responded sixty-five feet; stated the height limitation would result in more varied, interesting architecture.

Vice Mayor/Board Member/Commissioner deHaan stated he is trying to see what is similar in Alameda.

Mr. Brown stated that Alameda has a variety of architectural styles; the downtown area does not have development next to commercial; streets are active; the goal is to create a vision where density is clustered near transportation to encourage use of transportation other than automobiles; studies have shown that ridership drops off dramatically when people live farther away from public transportation opportunities.

Vice Mayor/Board Member/Commissioner deHaan inquired whether the southeast corner of the lagoon would be the concept for the commercial area, to which Mr. Brown responded a massing study was used to illustrate the portion of the property.

Vice Mayor/Board Member/Commissioner deHaan inquired whether only 45 historical buildings would be retained, to which Mr. Brown responded that he does not have the exact figure.

Vice Mayor/Board Member/Commissioner deHaan stated the original number of 83 was reduced to 80 because of building conditions; inquired why the original Measure B plan and conceptual plan are almost identical.

Mr. Brown responded the plan is to deliver the vision that SunCal heard expressed at numerous meetings which would be to achieve a goal of delivering an economically viable development and minimize traffic impacts by encouraging the use of density transfers and public transportation.

Vice Mayor/Board Member/Commissioner deHaan stated the Metropolitan Transportation Commission (MTC) has designated transit-oriented areas; Alameda does not have designated transit-oriented areas.

In response to Vice Mayor/Board Member/Commissioner deHaan's inquiry as to why MTC does not believe the plan is a transit oriented hub, Mr. Brown stated MTC might not have considered the alternative; SunCal would work with MTC; the process takes eighteen months to two years; a complete plan would be presented in which all questions are answered.

Vice Mayor/Board Member/Commissioner deHaan inquired whether an EIR is normally in a land use proposal process.

Mr. Brown responded a plan is submitted; then, an EIR process commences; an interactive, vigorous process leads to the ultimate development of an EIR report.

Vice Mayor/Board Member/Commissioner deHaan inquired why SunCal did not do an EIR two years ago.

Mr. Brown responded the road map to achieve a transit oriented plan was unclear; stated now; the process is more straightforward.

Vice Mayor/Board Member/Commissioner deHaan stated the ENA will sunset in 60 days or has to be extended.

Mr. Brown stated SunCal is working with staff to advance the plan; if milestones are met, the ENA extends automatically; the process takes time.

Mayor/Chair Johnson inquired whether the pictures [submitted by Vice Mayor/Board Member/Commissioner deHaan] are from the Planning Board meeting, to which Mr. Brown responded the pictures have been modified from the presentation.

Mayor/Chair Johnson stated the pictures should be posted on the website; that she does not understand how the development would be transit oriented without a transportation plan.

Mr. Brown stated \$700,000 has been budgeted for traffic and transit studies; the plan has been built on the shoulders of 2008 studies.

Mayor/Chair Johnson stated that she is not certain that the starting point for residential units and commercial square footage is correct.

Mr. Brown responded the 2008 plan was a combined plan done by transportation engineers, land planners, and an economic consultant; the transit plus plan was the third option and contemplated 5,000 residential units and 3.4 million square feet of commercial; the plan has been studied by the City and delivers enough economic value to be able to afford the required transportation improvements.

Mayor/Chair Johnson stated the rest of Alameda does not live in a transit oriented development and has to get through the Tube; half of the residents get on and off the island through the Tubes; that she is not sure the starting point is correct.

Mr. Brown stated that an EIR would look at transit oriented land plans at a unit count up to 4,700 units; the number may change; the process is ongoing; the project and transit solution do not exist in a bubble but within the context of the City.

Mayor/Chair Johnson inquired how the embedded garage structure would be transit oriented.

Mr. Brown responded the embedded garage structure is a mechanism to meet the proposed parking standards, which are a tad more stringent.

Mayor/Chair Johnson stated parking standards need to be more than a tad more stringent to be transit oriented.

Mr. Brown stated such comments would be layered through professional consultants to see what would and would not work; the goal is to put people in proximity to public transportation.

Mayor/Chair Johnson inquired whether the embedded garages are residential or commercial structures, to which Mr. Brown responded residential.

Mayor/Chair Johnson stated people are going use a car if a car is available; Treasure Island is restricting people's ability to have cars.

Mr. Brown stated the process would review the matter; the idea is to not see the garage.

Mayor/Chair Johnson concurred; stated the look is more attractive.

Mr. Brown stated the question is what is the appropriate parking ratio to maximize the amount of transit activity; the issue needs to be studied.

Mayor/Chair Johnson stated Mr. Tagani was working on an analysis of historic assets; inquired whether the analysis has been completed.

Mr. Brown responded in the affirmative; stated Mr. Tagani looked at every building and made recommendations on what would be economically viable to rehabilitate and reuse; reports have been prepared; staff wants a more detailed analysis on buildings which Mr. Tagani did not feel appropriate to move forward on.

Mayor/Chair Johnson stated a plan for accommodating affordable housing is important.

Mr. Brown agreed.

Mayor/Chair Johnson stated phasing plans are very important and need to be done sooner rather than later.

Mr. Brown stated that the City has a phasing plan, which would be subject to discussion.

Mayor/Chair Johnson stated there are a few critical issues; staff and SunCal are engaged in the process of negotiating a DDA; a DDA cannot be negotiated without knowing what is the project.

Mr. Brown stated professional study results would not be known before an 18-month EIR is initiated; the process would be to start with the best judgment as to what would be an appropriate plan given the constraints; professional studies would either validate information or feedback would be received for modification.

Mayor/Chair Johnson stated if less residential units and commercial square footage is wanted, it should be changed now before getting too far in the DDA negotiation process; the number can always be changed based upon the EIR findings.

Mr. Brown stated another way to address the issue would be through the alternative analysis process contained within the CEQA process; SunCal has proposed a base entitlement of approximately 3,800 homes and has discussed a vision for a density/transit oriented community that could have up to 4,800 homes; studying alternatives is part of the normal CEQA process.

Mayor/Chair Johnson stated that being conservative is better when starting out to know if it pencils out.

Mr. Brown stated SunCal has been working with staff on sensitivity economic runs at various target points; that he would be happy to run an economic model.

Mayor/Chair Johnson stated the project's economic tilting point is not known; a 25% Internal Rate of Return (IRR) is pretty high; questioned how it could be adjusted.

Councilmember/Board Member/Commissioner Matarrese stated the City does not know how much tax increment financing would be needed and when; the matter should be added to the list.

Mayor/Chair Johnson stated the economics involve the project; it is unknown whether the project would be viable with 3,000 units or 2,500 units.

Mr. Brown stated the City's 2008 study showed that the project would be greatly benefited by having more units to support ridership and support capital requirements in order to achieve the full implementation of the proposed transit solutions.

Mayor/Chair Johnson stated tonight everyone is looking to get as much input as possible.

Councilmember/Board Member/Commissioner Gilmore thanked staff for the presentation; stated staff was going through the PDC process with Alameda Point Community Partners (APCP); the one thing that she heard from the community was how traffic was going to impact people already on the island; the number one issue is traffic and traffic mitigation and how it would be phased with development; whatever is

developed at Alameda Point will have some impact on the rest of the island; the question is what does the rest of Alameda get for developing Alameda Point; Council insists on fiscal neutrality but public benefits would be provided for the rest of Alameda; public benefits are the carrot for the rest of Alameda and need to be funded; having systems in place to mitigate traffic burdens is a really difficult job but is important to nail down.

Mayor/Chair Johnson stated the Navy has not been at its peak for decades; in the past, there was more tolerance for Navy traffic; traffic created by development would not have much tolerance.

Vice Mayor/Board Member/Commissioner deHaan stated more square footage is being requested than for Measure B; Marina Village is 60% vacant; available office space is not being utilized; the original Community Reuse Plan was for blue collar job generation to backfill jobs lost; that he is concerned that 60 days from now a decision will need to be made; he is uncomfortable with decisions made; SunCal could not satisfy the needs of unions, schools, historical element, and community in general; today, SunCal is kinder and gentler; however, everyone is identical except for one person; SunCal went into bankruptcy because of Lehman Brothers; SunCal is having the same problems with D.E. Shaw; that he is not comfortable with the financial aspect of signing into a partnership; he does not want to be involved in a legal suit or bankruptcy; that he was concerned with picking up D.E. Shaw but could not convey what was brought to the table because everything was confidential; the City has been in a three year process; the City went into a five year process with APCP; the City decided to finance a PDC after two and a half years; people can sort out what they liked and disliked about Measure B but Measure B was still defeated.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the meeting at 11:51 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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