

**MINUTES OF THE REGULAR MEETING OF THE
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY
WEDNESDAY, January 4, 2012**

The meeting convened at 7:10 p.m. with Chair Gilmore presiding.

1. ROLL CALL

Present: Board Members Bonta, deHaan, Johnson, Tam and Chair Gilmore – 5.

Absent: None.

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

(12-001) Cara Kuhlman, Alameda, discussed starting dialogue with the ARRA to open a community sailing center program at Alameda Point.

3. CONSENT CALENDAR

(*12-002) Approve the Minutes of the Special and Regular Meetings of December 7, 2011.

(*12-003) Authorize the Executive Director to Execute an Amendment to an Agreement with Russell Resources for Environmental Consulting Services for Alameda Point Extending the Term for 12 Months and Adding \$165,000 to the Budget.

(*12-004) Authorize the Executive Director to Execute an Amendment to an Agreement with Carlson, Barbee & Gibson for Civil Engineering and Surveying Consulting Services for Alameda Point Extending the Term for 24 Months and Adding \$74,400 to the Budget.

Member Tam moved for approval of the Consent Calendar. Member deHaan seconded the motion, which carried by unanimous voice vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

4. REGULAR AGENDA ITEMS

(12-005) Award Contract in the Amount of \$225,000 to Keyser Marston Associates to Prepare an Economic Development Strategy for Alameda Point.

The Chief Operating Officer – Alameda Point discussed the Office of Economic Adjustment \$225,000 award to the ARRA to conduct economic development strategy.

Member Johnson expressed concern that any economic strategy or plan may be irrelevant because of the elimination of the redevelopment agencies. The Chief Operating Officer – Alameda Point explained that it is even more important to have a strategy in place and be prepared to attract industrial and commercial users that can help bring in the infrastructure.

Member Tam inquired if there will be an increased dependency on private funds because of the loss of tax increment funding. Tim Kelly, Keyser Marston, stated that there are lots of opportunity for growth and enhancement with existing tenants. He discussed other financing tools available, including Infrastructure Financing Districts and Community Facilities Districts. Mr. Kelly explained that these financing tools have to be packaged in phases so it can be managed and delivered.

Member deHaan expressed concern about how to address the community process. The Chief Operating Officer – Alameda Point explained that there was feedback from the community that there is a bit of fatigue on community meetings. The focus now is to engage the tenants. The Chief Operating Officer – Alameda Point agreed with Member deHaan that the Economic Development Commission and other formal bodies should be engaged.

Vice Chair Bonta moved for approval of the staff recommendation. Member Johnson seconded the motion, which carried by unanimous voice vote – 5.

(12-006) Approve Amendment No. 2 to the Memorandum of Agreement between the Alameda Reuse and Redevelopment Authority and the United States Navy for the Economic Development Conveyance of Portions of the Former Naval Air Station Alameda.

Chair Gilmore stated that although the No-Cost Economic Development Conveyance is overshadowed by the redevelopment news, it is still amazing and exciting news. The Chief Operating Officer – Alameda Point agreed and provided a summary of events. The ARRA approved a term sheet with the Navy on October 5, 2011. The term sheet contemplated a no-cost conveyance of Alameda Point from the Navy to the ARRA consistent with the 1996 Reuse Plan. The Term Sheet became the final amendment to the existing 2000 Memorandum of Agreement with the Navy. The Chief Operating Officer – Alameda Point discussed the changes, including the conveyance schedule, the enforcement mechanism, use of proceeds, and the addition of submerged lands. The conveyance schedule contemplates a vast majority of the property coming to the ARRA by the end of 2012.

Chair Gilmore thanked staff for working tirelessly and effortlessly over the years to make the No-Cost Economic Development Conveyance happen.

Proponent: Helen Sause, Housing Opportunities Make Economic Sense (HOMES).

Member Tam moved for approval of the staff recommendation. Member Johnson seconded the motion. Chair Gilmore requested a roll-call vote be conducted: Vice Chair Bonta – aye, Member deHaan – aye, Member Johnson – aye, Member Tam – aye, Chair Gilmore - aye. Ayes – 5, Abstentions – 0, Noes - 0.

5. ORAL REPORTS

(12-007) Oral Report from Member deHaan, Restoration Advisory Board (RAB) Representative – Highlights of December 1, 2011 RAB Meetings.

Member deHaan stated that he provided the 12/1 update at the December ARRA meeting and that the RAB will not meet again until March. It is still being evaluated and discussed if RAB meetings will be held on a quarterly basis.

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

None.

7. EXECUTIVE DIRECTOR COMMUNICATIONS

The Executive Director re-emphasized the news of the ARRA receiving portions of Alameda Point at a No-Cost Conveyance.

8. REFERRALS FROM THE GOVERNING BODY

None.

9. COMMUNICATIONS FROM THE GOVERNING BODY

None.

10. ADJOURNMENT

There being no further business, Chair Gilmore adjourned the meeting at 7:49 p.m.

Respectfully submitted,

Irma Glidden
ARRA Secretary

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
WEDNESDAY- -JANUARY 4, 2012- -6:00 P.M.

Mayor Gilmore convened the meeting at 6:05 p.m.

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

Absent: None.

The meeting was adjourned to closed session to consider:

(12-015) Conference with Labor Negotiators (54957.6); Agency Negotiators: Human Resources Director and Masa Shiohira; Employee Organizations: Management and Confidential Employees Association (MCEA), Alameda City Employees Association (ACEA), International Brotherhood of Electrical Workers (IBEW), and Police Officers Non-Sworn (PANS).

Following the closed session, the meeting was reconvened and Mayor Gilmore announced that the labor negotiators provided the status of negotiations with four bargaining units: IBEW, ACEA, PANs, and MCEA.

Adjournment

There being no further business, Mayor Gilmore adjourned the meeting at 7:05 p.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 AND HOUSING
AUTHORITY BOARD OF COMMISSIONERS (HABOC) MEETING
WEDNESDAY- -JANUARY 4, 2012- -7:02 P.M.

Mayor/Chair Gilmore convened the meeting at 7:51 p.m.

ROLL CALL – Present: Councilmembers/Commissioners Allen, Bonta,
deHaan, Johnson, Tam and Mayor/Chair Gilmore – 6.

Absent: None.

ORAL COMMUNICATIONS

None.

AGENDA ITEM

(12-017 CC) Resolution No. 14634, “(1) Determining It Will Serve as a Successor Agency to the Community Improvement Commission of the City of Alameda (“CIC”); (2) Electing Not to Retain the Housing Assets and Functions Previously Performed by the CIC; (3) Authorizing Assumption by the Housing Authority of the City of Alameda (“Housing Authority”) of the Rights, Powers, Assets, Liabilities, Duties, and Obligations Associated with the Housing Activities of the CIC; and (4) Authorizing the City Manager to Enter Into an Agreement with the Housing Authority to Fund Costs Associated with the Transferred Housing Activities.” Adopted; and

(12-001 A HABOC) Resolution No. 836, “(1) Agreeing to Assume the Rights, Powers, Assets, Liabilities, Duties, and Obligations Associated with the Housing Activities of the Community Improvement Commission of the City of Alameda; and (2) Authorizing the Executive Director to Enter Into an Agreement with the City of Alameda to Fund Costs Associated with the Transferred Housing Activities.” Adopted.

The Housing Development and Programs Manager gave a brief presentation.

Mayor/Chair Gilmore stated redevelopment agencies would cease to exist on February 1st, but agreements for 400 redevelopment agencies would not suddenly come into existence on February 2nd.

The Housing Development and Programs Manager stated agreements would exist because of each agency’s enforceable obligation schedule.

In response to Mayor/Chair Gilmore’s inquiry, the Housing Development and Programs Manager stated the County Auditor-Controller would need to audit each agency’s enforceable obligation schedule by July 1st.

Councilmember/Commissioner Tam inquired whether a trust fund would be

automatically established by ABX1 26, to which the Housing Development and Programs Manager responded in the affirmative.

Mayor/Chair Gilmore stated on February 1st, responsible agencies would start expending funds in the normal course of business; hopefully, reimbursement would be set in place on July 1st.

The Housing Development and Programs Manager stated an administrative budget needs to be presented for each successor agency by February; the legislation has some inconsistencies; last year, an obligation schedule was done which predicted payment obligations pursuant to enforceable obligations; the next one would be due March 1st, which would cover January 1st to June 30th; schedules would need to be approved by the Oversight Board that would review work of the successor agency; the Oversight Board would not come into existence until May 1st; suggested amending Section 7 to read: "This resolution shall take effect and be enforced as of the deadline for adoption of this resolution established pursuant to State law as may be amended from time to time".

Councilmember/Commissioner Tam's inquired whether the City could recover money, to which the City Manager/Executive Director responded the money has not been submitted yet.

Mayor/Chair Gilmore stated the State was not hitting budget targets before the ruling; it appeared that automatic cuts would go into effect; the State will not receive \$1.7 billion due to legislation being declared unconstitutional.

The City Manager/Executive Director stated that the State has centralized what the payments would be but has created chaos throughout the system.

Vice Mayor/Commissioner Bonta stated things are moving very quickly; that he wants to ensure that the City does not do something it will regret later; inquired what precautions would be taken if another legislative remedy caused the City's successor agency role to not be advantageous, to which the City Manager/Executive Director responded the resolutions could always be amended.

In response to Vice Mayor/Commissioner Bonta's inquiry, Rafael Mandelman, Burke, Williams, and Sorensen, stated January 13th is the drop-dead date for cities to opt out of becoming a successor agency.

Councilmember/Commissioner Johnson stated a significant amount of affordable housing has been created by redevelopment agencies; inquired whether affordable housing would also cease.

The Housing Development and Programs Manager responded hopefully, housing advocates would do something about having a permanent income stream fund for

affordable housing; stated the need would not go away.

Councilmember/Commissioner Johnson stated the City receives allocations from the Association of Bay Area Governments (ABAG); without said money, houses cannot be built regardless of the allocations.

The City Manager/Executive Director stated redevelopment has been the primary economic development program in California; without economic development, there is no money for schools or work force housing; that he predicts the State would replace some functions but would do so in a centralized, clunky way rather than in a flexible, nimble, and local manner.

Councilmember/Commissioner deHaan inquired how other municipalities are handling the issue, to which the Housing Development and Programs Manager responded Alameda would be the first to act on the matter.

The City Manager/Executive Director stated that redevelopment pays for police officers, half of the Mayor, Council, and Auditor's salary, which otherwise would need to come from the General Fund; everything would have to be made up from the General Fund; the City has never honeycombed redevelopment.

Mr. Mandelman stated the landscape is rapidly changing and the law is drafted poorly; there will be many messy situations over the next months; the City would be taking on responsibility to manage some of the chaos by becoming the successor agency; management would be done by an unfriendly Oversight Board.

Vice Mayor/Commissioner Bonta inquired whether another path or second best approach might be adequate but would not be as good as the one recommended tonight.

Mr. Mandelman responded tonight's recommendation is the only way to go if the City wants to be a successor agency; stated otherwise, the Governor would appoint County residents.

Mayor/Chair Gilmore stated Council has tried for a number of years to get Alameda Point from the Navy so that the City could have local control and have a say in how things move forward.

The Housing Development and Programs Manager stated the City would want local control over the Alameda Landing Disposition and Development Agreement; exercising local control over the project would be important.

Councilmember/Commissioner Tam stated the City would have local control but would lose its ability to generate local revenue through redevelopment; the City would be more dependant upon private developer funding for infrastructure and meeting affordable

housing marketing objectives; the City would have to find some way to be more marketable and needs to fight fiercely.

The Acting City Attorney/Legal Council stated a lot of new ideas would be forthcoming.

Mr. Mandelman stated the California Redevelopment Association and League of California Cities are actively focusing on State goals but would include goals important to Alameda such as Base reuse and housing.

In favor of resolutions: Robb Ratto, Park Street Business Association, and Jon Spangler, Alameda.

Mayor/Chair Gilmore expressed appreciation to staff for acting so quickly on the matter; stated the recommendation is viable.

Vice Mayor/Commissioner Bonta inquired whether tonight's recommendation would be the only way to exercise local control, to which Mr. Mandelman responded that he thinks so.

In response to Councilmember/Commissioner deHaan's inquiry, Mr. Mandelman stated the deadline for dissolution is February 1st; up to that time, the legislature would have an opportunity to come up with something that would work for communities that have bases that need to be redeveloped; the deadline for deciding whether to be a successor agency is January 13th.

The Chief Operating Officer stated that she has a conference call scheduled for 8:30 a.m. tomorrow with base reuse communities.

Councilmember/Commissioner Johnson moved adoption of the resolutions with noted amendment to Section 7.

Councilmember/Commissioner Tam seconded the motion, which carried by unanimous voice vote – 6.

ADJOURNMENT

There being no further business, Mayor/Chair Gilmore adjourned the meeting at 8:37 p.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 AND ALAMEDA
REUSE AND REDEVELOPMENT AUTHORITY (ARRA) MEETING
WEDNESDAY- -JANUARY 4, 2012- -7:01 P.M.

Mayor Gilmore convened the meeting at 7:49 p.m.

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

Absent: None.

CONSENT CALENDAR

Councilmembers/Board Member Johnson moved approval of the Consent Calendar.

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

(12-016 CC) Resolution No. 14642, "Appropriating \$379,000 in Federal HOME Funds and Authorizing the City Manager to Negotiate and Execute the Necessary Documents to Complete the Loan to the Alameda Point Collaborative for Acquisition of 240 Corpus Christi, 230 Corpus Christi, 2471 Orion, 2451 Orion, 201 Stardust, 251 Stardust, and 271 Stardust ("Property")." Adopted; and

(12-008 ARRA) Recommendation to Approve Financing on the Property in the Amount of \$2,279,000. Accepted.

AGENDA ITEM

None.

ADJOURNMENT

There being no further business, Mayor/Chair Gilmore adjourned the meeting at 7:50 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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