

Approved
Minutes of the Special Joint Meeting of the
City Council, Alameda Reuse and Redevelopment Authority, and
Community Improvement Commission

Wednesday, July 18, 2007

2-A

The meeting convened at 7:53 p.m. with Mayor/Chair Johnson presiding.

1. ROLL CALL

Present: Mayor/Chair Beverly Johnson
Councilmember/Boardmember/Commissioner Marie Gilmore
Councilmember/Boardmember/Commissioner Doug deHaan
Councilmember/Boardmember/Commissioner Frank Matarrese
Vice Mayor/Boardmember/Commissioner Lena Tam

2. REGULAR AGENDA ITEMS

Item 2-A. Recommendation to Approve Exclusive Negotiation Agreement (ENA) between ARRA, CIC, City of Alameda (Alameda) and SCC Alameda Point, LLC (SunCal).

Leslie Little, Development Services Director, introduced staff and those involved in the ENA process: for SunCal was Bill Myers, Amy Freilich, their Counsel, and Steve Elieff, President of SunCal. For ARRA was Matt Fragner, Real Estate transaction attorney and special Counsel to the ARRA, and Jim Musbach Financial Consultant from EPS.

Ms. Little gave a powerpoint presentation as an overview of the ENA process, citing the purpose of the ENA:

- Define redevelopment and entitlement process for Alameda Point
- Provide a framework for negotiation of a Disposition and Development Agreement
- Establish a process for negotiating and executing various other transaction documents.

Included in the presentation was a summary of the major terms of the ENA, including the length of term, schedule of performance, initial payment and cost recovery, project labor agreement, fiscal neutrality, project pro forma, existing city leases, and transfers.

Next steps included:

- SunCal to provide a pre-development schedule for achieving mandatory and non-mandatory milestones within 30 days to be updated quarterly
- SunCal, in conjunction with ARRA staff, to commence project planning and negotiations

At the conclusion of the presentation, there was concern by all Councilmembers/Boardmembers/Commissioners of three issues included in the ENA, specifically regarding: 1) the financial structure and knowledge of who the financial partners are before the DDA process, including the reference to the 5% contribution relative to the DDA; 2) the liability of the acquisition price of \$108.5M ; and 3) prohibiting transfers during the ENA period.

At 9:50 p.m., Mayor/Chair Johnson called a recess so that the SunCal team could discuss these issues with their principals. The meeting reconvened at 10:22 p.m.

Matt Fragner, with the Councilmember's/Boardmember's/Commissioner's approval, revised and recited the precise language modifying the three specific issues of the ENA.

Councilmember/Boardmember/Commissioner deHaan motioned to approve the ENA with the modifications to the specific sections in the ENA. Motion was seconded by Vice Mayor/Boardmember/Commissioner Tam and passed by the following voice votes: 5 Ayes, 0 Noes, 0 Abstentions.

3. ADJOURNMENT

Meeting was adjourned at 11:27 by Mayor/Chair Johnson.

Respectfully submitted,

A handwritten signature in cursive script, reading "Irma Glidden". The signature is written in dark ink and has a fluid, elegant style with a long, sweeping underline.

Irma Glidden
ARRA Secretary