

MINUTES OF THE SPECIAL JOINT CITY COUNCIL AND
PLANNING BOARD MEETING
WEDNESDAY- -SEPTEMBER 25, 2013- -7:00 P.M.

Mayor Gilmore convened the meeting at 7:02 p.m. President Burton led the Pledge of Allegiance.

ROLL CALL - Present: Councilmembers Chen, Daysog, Ezzy Ashcraft, Tam and Mayor Gilmore; and Planning Board Members Alvarez-Moronni, Henneberry, Knox White, Koester, Tang, Zuppan, and President Burton – 12.

Absent: None.

ORAL COMMUNICATIONS, NON-AGENDA

(13-422) Red Wetherill, Alameda, submitted a hand out and discussed the safety of the Tubes.

(13-423) Patricia Baer, Alameda, discussed the safety of the Tubes.

AGENDA ITEMS

(13-424) Review and Comment on the Draft Environmental Impact Report (EIR) for the Alameda Point Project.

The City Planner gave a Power Point presentation.

Expressed concern over traffic on Bay View Drive: Dorothy Kakimoto, Alameda.

Expressed concern over the lack of emphasis on environmental health effects and disclosure about contaminants at Alameda Point: Susan Galleymore, Alameda.

Stated Housing Opportunities Make Economic Sense (HOMES) would submit comments on the EIR; stated issues include: where the people work at the site will live, the EIRs scope, and the Alameda Town Center name: Helen Sause, HOMES.

Expressed thanks for the thorough EIR; stated reaching out to the best planners in the world will be important for the next phase: Chuck Kapelke, Alameda.

Expressed appreciation for the EIR public process and inclusion of the housing alternative; stated cumulative analysis is important; the project will have many gains for the community: Bill Smith, Alameda.

Stated the sea level rise berm must be built appropriately; urged using the high density

housing option; stated infrastructure must be smart grid, plug and play; expressed concerns about cost estimates: Jon Spangler, Alameda.

Expressed concerned about housing alternatives; stated retail should be spectacular and is the opportunity to make Alameda Point a destination: Karen Bey, Alameda.

Expressed concern over the vagueness of the EIR; stated the Reuse Plan includes important specifics, which are not in the EIR; schools are particularly important and not well discussed; rigorous community oversight is lacking: Diane Lichtenstein, Alameda.

Stated that she is impressed with the mix of open space and light industrial space; the light industrial zone should meet the water and include small and medium size businesses: Adrienne Lakadat, Alameda.

Stated traffic in Chinatown in Oakland is a problem; urged the City to work with Oakland to resolve the issue: Alex Dannebaum, Alameda.

Expressed concern about transportation issues; stated retail would be automobile based; expressed concern over public involvement: Former Councilmember Doug deHaan, Alameda.

Expressed concern that sea level rise issues have not been adequately addressed: Bob Sikora, Alameda.

Stated the Alameda Point Collaborative will have written comments; requested more information on mitigation, environmental and justice issues: Doug Biggs, Alameda Point Collaborative.

Stated that he is interested in the historic structures, class issues, transportation and connection to BART: Craig Miott, Alameda.

Expressed concern about building height in the Enterprise District; urged support for the current Alameda Point business community: Amanda Shepard, Alameda.

Mayor Gilmore noted Chapter 4 of the EIR provides a history and is a really great way for anyone interested to get up to speed.

Councilmember Daysog requested staff to double check EIR Appendix G which addresses transportation and circulation data; stated that he believes there is a problem, which he emailed to staff.

The City Planner stated staff would check the details on Appendix G.

Councilmember Tam stated the historical evolution of Alameda Point in Chapter 4 is worth noting because a frame of reference is needed; 14,000 jobs were lost; 9,000 jobs

would be added back; the Tubes and facilities previously accommodated the flow of 14,000 jobs; before 1997, when there were 14,000 jobs, there was not the current and proposed development in Oakland or sea level change issues as well other issues raised by speakers; requested staff to provide a contextual framework.

The City Planner stated the State has established a very prescriptive way to do an EIR; staff and consultants will ensure additional information and context is available to the community, Planning Board and Council; the greatest number of jobs and population was in 1994; a lot of cars left Alameda Point every day; the Navy had ways of managing trips through staggered shifts, but traffic was still bad; staff's approach is to determine what the community can manage and to use different methods; new techniques have to be found for people traveling back and forth to new jobs at Alameda Point; a portion of the redevelopment at Alameda Point would get the City back to the jobs and population 20 years ago; transportation is one of the most interesting challenges; positive things are on the horizon, which other communities are doing; employers run shuttles because employees do not want to drive; companies at Alameda Point today want to start running shuttles; Marina Village is looking at doing a shuttle study; the younger generation is not rushing to buy cars, which will be part of the solution moving forward.

Councilmember Tam noted the City's population only increased by less than 1% in the past 10 years.

The City Planner stated people feel like the population has been growing faster because of driving habits; a challenge is getting the community to change driving habits; the City has been working with regional transportation agencies, such as the Water Emergency Transportation Authority (WETA) and BART regarding options and solutions; trips have been reduced and alternatives are needed, such as a BART extension, which the City is still working on; BART recently attended the Planning Board meeting and wants to review the option.

Vice Mayor Ezzy Ashcraft stated the Bay Area recently had a couple of opportunities to do trial runs of alternative means of transportation, other than cars, during the BART strike and Bay Bridge closure; the ferries saw tremendous increases in ridership; people will use other means of transportation; the ferries and AC Transit stepped up operations; the City Council and Planning Board receive lots of emails from people concerned about proposed developments and the impact of automobile traffic; encouraged everyone to think about their personal habits and ask themselves whether everything is being done to minimize car dependency; the public's help is needed; options reviewed for Alameda Point should be applied to the greater community as well.

Mayor Gilmore stated transportation demand management plans and ways to minimize the impact of new development assumes the problem is Alameda Point; however, how the rest of the Island gets around is going to have to change; everyone should be thinking about taking shuttles and BART; the solution is going to have to be Island wide.

Board Member Koster concurred; stated the tunnels and connection to Interstate-880 (I-880) have to be reviewed; from the 1950's to 2000's, society was auto centric, which is changing with urban movements; he tries to drive as little as possible; a small gas hike a couple of years ago forced more riders onto public transit; his friends all ride transit; cars are getting more expensive and are not going to be feasible in the future.

Councilmember Chen stated the Transportation Demand Management (TDM) will include incentives and penalties for future Alameda Point residents; the incentives and penalties should be narrowed down; the whole community should be encouraged to take mass transit; the Estuary Crossing shuttle is underutilized; questioned how the City can really encourage and incentivize use; stated the City needs to determine the spark that will get everyone excited about public transportation; Alameda Landing projected an increase of 45,000 vehicles per day; Park Street to Harbor Bay has three exit points: Fruitvale, High Street and Doolittle Drive; Park Street to the West End only has one exit point; an increase in residential or business use will utilize the Tube; that he likes the incentive plan, but would like to better understand proposed incentives.

The City Planner stated a lot has to be worked out; the matter would be discussed at the Joint Transportation Commission and Planning Board meeting on September 30th; one of the best ways to ensure that Alameda Point minimizes impact is to attract homeowners and businesses desiring alternatives; one of the first questions businesses ask is how are employees going to get to work without driving; employees are demanding said type of location; Alameda Point needs to provide shuttles and buses; every business and resident at Alameda Point will pay into a transportation fund to generate operating revenue for Alameda Point buses, water taxis or whatever is determined the best use of funds; another essential piece of the strategy is connecting with BART and AC Transit; businesses or households wanting to drive should not be attracted to Alameda Point; the City has to attract residents who would be happy not to need a car.

Councilmember Chen stated the staff report indicates the draft EIR finds that all potential impacts on biological resources can be mitigated; there are pelicans, least terns and other endangered species; that he is very pleased with the language and hopes the City can back it up; adaptively reusing the Bachelor Officers Quarters (BOQ) and Bachelors Enlisted Quarters (BEQ) for multifamily housing is a great idea.

Councilmember Daysog stated that he has a different opinion regarding road widening; road widening might be necessary; the policy has to rely on traffic data; suggested staff review Section 4.4.2.A, and contemplate the possibility that roads might need to be widened in some specific instances.

Mayor Gilmore stated the matter has been discussed over the last several years; the collective consciousness has been that the City wants to encourage people to get out of cars and widening roads encourages people to get back into cars.

The City Planner stated the policy also was based on the Tubes and bridges; widening roads would just allow cars to travel faster and then have to wait in line to get to the Tube.

Mayor Gilmore stated road widening also impacts bicycles and pedestrians because people rush through town; that she receives many complaints about speeding now.

The City Planner stated wide streets are the least pleasant for walkers to cross; the EIR transportation section addresses items which make it easier for cars; if something is done for cars, it asks what about pedestrians, bicyclists and transit and whether service levels would go down.

Councilmember Daysog stated at some point, widening the end of the outbound Posey Tube would need to be evaluated in the event there is a left turn.

The City Manager stated the intersection from I-880 to the Tube is a regional problem; Oakland has projects coming on line; the Chinatown neighborhood faces air quality problems; staff is focused on the exit from the Tube and how to make the egress easier without creating more Chinatown traffic; staff's intention is to come forward with projects and plans that absolutely minimize automobile trips; the City Planner laid out some of the balancing questions; building larger roads creates a less friendly, less urban built environment for pedestrians and bicyclists; a lot of diplomacy has occurred during the last four months; a lot of work remains to be done; the County wants to go forward with a measure on the 2014 or 2016 ballot to increase the sales tax in order to create more transportation infrastructure, which would be good for Alameda as long as the Broadway Jackson interchange and additional expenditures for ferries and boats are included; Alameda is going to have specialized infrastructure needs over the next 50 years because no solution creates another Tube or bridge; the City does not want to be over reliant on automobiles going forward in developing the former Base; the public will have the opportunity to weigh in when options are presented.

President Burton stated that he appreciates the comments made about how everyone is involved in the traffic situation; he recently saw a billboard that said: "You are not stuck in traffic, you are traffic;" everyone needs to be part of the solution, which cannot simply be the responsibility of new people; the transportation management plan is one critical component missing from the EIR; significant mitigation is needed if the City decides to reduce residential traffic by 10% and commercial traffic by 30%, which is an achievable goal, instead of some of roadway changes discussed in the EIR which do not have a significant impact on car traffic but do have significant impacts on pedestrian and bike traffic; that he would also like to see a greater level of detail in the EIR traffic studies; the EIR compares scenarios; all the other development in town is going to have greater or at least as much impact as the traffic generated by Alameda Point; he would like to see a more direct comparison of the project impact to the project impact plus cumulative in order to clearly understand where problems lie and be able to determine the most effective manner going forward; solutions for Alameda Point might not effectively

address other problem areas effectively; the matter should be in the EIR and part of discussions going forward.

Board Member Knox White stated that he would submit written comments before the deadline; the alternatives analysis needs a lot more flushing out and an explanation of ratings; some assumptions in the alternatives analysis do not make sense; the plan to deal with sea level rise is good; a policy decision still needs to be made about whether the initial mitigation is 18, 12 or 36 inches; the conversation should happen, because the policy impacts the Master Infrastructure Plan (MIP) and also changes the mitigation analysis in the EIR; the EIR goes to 2050, which is a 35 year window; people buying houses at Alameda Point will not have paid off their first mortgage by 2050, when the next dike will start to be built; questioned whether homeowners' first mortgage would be sufficiently protected and whether insurance companies are going to guarantee that the property would be protected from sea level rise; stated the ability to sell land to commercial and homeowners might be impacted; the sea level rise decision impacts a lot of decisions, including fees; the conversation is overdue and needs to be had at some point in the near future.

Board Member Tang stated traffic is the most important issue; the City's existing traffic infrastructure limits and dictates the kind of development at Alameda Point; a good mix is needed to have a harmonious flow; there cannot be too many residences or too many retail outlets; that he appreciated hearing about the shuttle service; he carpools from Bay Farm Island; parking spaces are fully occupied; more carpool or shuttle parking spaces might be needed; some buses are empty; questioned whether there should be smaller shuttles; stated bus ridership might depend on how well a company is doing; the City should ensure shuttles will be fully utilized; questioned whether the City has a backup plan in case the Tube is closed; stated any emergency plan to direct traffic should be revisited; developers are going to have to invest money on traffic infrastructure to make the development successful; questioned how people will make it from Bay Farm Island to Alameda Point to shop at Target; stated hopefully, residents will take a shuttle and not drive to Alameda Landing.

Mayor Gilmore stated President Burton commented about the analysis between the Alameda Point traffic and existing traffic; the matter has been discussed for years; reports show significant impacts from traffic on the rest of the Island even if Alameda Point is not built; development on the rest of the Island is fragmented and spread out, making a comprehensive plan more difficult; there are more opportunities to put in traffic mitigation plans that have a better chance of working at Alameda Point, which should be addressed in the EIR; people need to understand that even if nothing is done at Alameda point, there is a very good chance that there will be gridlock on the rest of the Island unless driving habits change or bus and shuttle capacity increases; the matter needs to be flushed out; complimented staff and the Planning Board on the tremendous amount of work that has been put into the EIR and the outreach efforts; stated turn out is much better than the in the past and will hopefully continue to improve as the process continues; the City wants input; October 21st is the deadline for submitting comments;

there will be many public meetings going forward.

The City Planner noted the Planning Board is having another hearing on October 14th to address the town center plan and Alameda Point zoning.

(13-425) Provide Comments on the Disposition Strategy for Alameda Point.

The Chief Operating Officer – Alameda Point gave a Power Point presentation.

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Councilmember Tam left the dais at 9:04 p.m. and returned at 9:07 p.m.

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Mayor Gilmore stated commercial and retail is one of the top priorities; questions have come up why the City is leading with commercial and retail.

The City Manager stated Alameda's economic deficits and revenue streams have been reviewed; staff is focused on the budget and long term financial problems; the City does not have enough money to maintain the roads on a proper schedule; money has not been set aside for post-employment benefits; PERS is going to impose smoothing, which will cost extra; the Council has done a very good job in making strategic cuts and increasing reserves; in the next two years, the City will go to market for infrastructure as the highest bond rated municipality in the East Bay; cutting more services is politically infeasible; the budget has two sides: cost and revenue; the glaring hole in Alameda's revenue package is retail sales tax; therefore, the number one priority for the City is to bolster retail and bring businesses that generate business to business sales tax; discussed retail leakage; stated growth has to be strategic; leading with housing creates a constituency which could want to stop future commercial, industrial and retail growth and almost always excludes revenue needed generators; staff is concerned with the consequences of California's tax structure; housing units can be assessed on the front end, which helps build infrastructure; however, in 30 to 50 years, residential will generally not pay for the service demands it generates based on the Proposition 13 tax structure; uses should be reviewed which balance and give the City financial wherewithal at the front end and in the long term; staff is not interested in big box retail, such as Costco or Walmart; staff will present retail proposals in the next couple of months; retail is a priority for financial, phasing and political reasons and because there is a real need; traffic trips will be created; however, trips of Alamedans driving cars off Island to shop would be diverted; retail would not exclude, but would complement, housing.

Councilmember Tam stated that she understands the academic need for sales tax revenue; however, the City will have to deal with financing infrastructure; there is a huge backbone infrastructure need; the City has huge sales tax leakage, which needs to be dealt with long term; inquired whether studies show that retail can pay for Alameda Point infrastructure which has a price tag of \$575 to \$600 million.

The City Manager stated retail solely would not pay for infrastructure; however, only doing housing deplete the General Fund in the long term; balance is required.

Councilmember Tam stated cities have to offer subsidies to attract retail and had redevelopment funds to do so that in the past.

The City Manager noted proposals being received do not call for subsidy.

Councilmember Tam inquired whether whatever selected, such as an outlet mall, could pay to bring in water, sewer, and gas.

The City Manager responded a business would pay for its site; a master developer would not be brought in to do the whole Base and infrastructure; the City is going to have to fit every project into the envelope of mitigations and impacts discussed in the EIR; the City will build the backbone infrastructure and each developer, whether the project is a 20 acre housing pad or a 20 acre office park, would be required to build infrastructure on the project site; significant parts of the entire infrastructure costs would be offloaded, which means the City will receive less revenue on the front end; a comprehensive answer cannot be given because he does not have deals.

Councilmember Tam stated that she understands the concept of phasing and piecemeal projects; however, the pieces of the puzzle tie into the backbone infrastructure and have to be contiguous and whole.

The City Manager stated the MIP addresses the matter; without redevelopment, the City cannot subsidize every transaction; although the types of projects were listed in a specific order, staff would address projects as they come available; the end of next year, the City will have a method, such as an infrastructure financing district or some other method to build the backbone infrastructure; there will be new housing and retail, and growth of existing businesses; every study shows that the best way to perform economic development is to grow existing successful businesses; many businesses have wanted to expand for years; the vision is multilateral; staff believes the City cannot just lead with housing; everything must be done in phases.

Stated that she likes the strategy for the lagoon area and focusing on one area first; expressed concern about the City not being ready to adequately invest in Alameda Point; stated that she supports having multiple diverse developers: Helen Sause, Alameda.

Stated 1,425 housing units is inadequate for transit; a fiber optic network and smart grid is needed to attract high tech firms; the right mix is needed at Alameda Point: Jon Spangler, Alameda.

Invited everyone to attend the Harvest Fest; inquired whether or not the list is prioritized;

and whether the City would lead with the Town Center: Doug Biggs, Alameda Point Collaborative.

Encouraged the City to think big; stated Alameda has the opportunity to become a destination; the City should not just settle for sales tax and should have a ground lease, which would help solve budget issues: Karen Bey, Alameda.

Gave a brief presentation on history at Alameda Point; suggested Catalina Cove is the right name for the Town Center: Ethan Clifton, Alameda.

Board Member Tang discussed use tax revenue; stated having businesses, especially high tech companies move in, is a good thing; discussed Assembly Bill 93 (AB93); encouraged making major efforts to attract tech companies.

Councilmember Chen inquired whether the City could come up with some kind of a tax credit or tax incentive program in addition to the AB93; stated information on the matter has been forwarded to staff for review.

The City Manager responded staff is reviewing the information and is very interested; stated staff is not eager to provide additional tax breaks; the City would be bringing in businesses to increase tax revenue; having the State realize the tax burden needs to be scaled back to draw people here is good; staff would be cautious about attracting businesses by providing extensive tax breaks because the City would not make money.

Board Member Tang stated some cities are pretty aggressive in enticing high tech companies; Milpitas gave his company a five year plan and shared local taxes; the situation is win-win; short term incentives make the package more attractive to a company that wants to move to Alameda.

The City Manager stated staff would not rule out the option, but wants to look very cautiously at any tax rebates; rebates would have to make economic sense for the City.

Councilmember Chen stated the City is leaking in every retail category including an Asian market; suggested some sort of mall or marketplace for Asian-Americans at Alameda Point; stated the first three priorities are: major retail businesses, major job generating businesses, and maritime businesses; the fourth category is residential family housing; there should be a parallel approach; having residential fourth on the list almost sends a message that the City is not highly prioritizing residential development; suggested bumping up residential one or two notches; inquired how many of the 200 support housing units are low or affordable income units.

The Chief Operating Officer – Alameda Point responded all of them.

Councilmember Chen stated the City is trying to convert the project into a smaller footprint; inquired whether only 25% is required to be allocated for low income housing,

to which the Chief Operating Officer – Alameda Point responded for new construction.

In response to Councilmember Chen's further inquiry, the Chief Operating Officer – Alameda Point stated 1,425 includes existing units, such as the 200 supportive housing units; a settlement agreement requires the City to provide 25% affordable housing on all new housing; 25% of all new housing units have to be affordable, excluding the Collaborative units.

Councilmember Chen inquired whether the 200 supportive housing units would remain affordable.

The Chief Operating Officer – Alameda Point responded in the affirmative; stated the Collaborative wants to relocate and wants new facilities; staff believes there are mutual benefits; the Collaborative would have new facilities which would better meet their needs and the land could be used for market housing; the option is being explored.

In response to Councilmember Chen's inquiry about prioritization, the City Manager stated the prioritization order does not mean that staff is not working on others items; the City will not have any trouble selling 1,435 units; most developers who have approached the City in the last two years are home builders; detailed zoning is being done for the Town Center; recruiting businesses is going to require more staff energy, attention and imagination; housing does not need to be prioritized to happen.

Councilmember Chen inquired there pool of residential developers would be impacted by a high vacancy rate at the Town Center.

The City Manager responded in the negative; stated when staff presents any project, even retail, the project will not have a parking lot with stores around the perimeter; another Alameda Landing will not be built and is not appropriate for the view; something which creates a sense of space and destination would be built; other opportunities, such as a campus or light industry, would be something the City could be proud of architecturally; something special will be done for the location.

Vice Mayor Ezzy Ashcraft stated that she understands the City can move forward on more than one front and hopes the City does so; historically, the goal has been to create new jobs to replace jobs lost when the Navy closed; the City needs sales tax revenue; however, a wider view is needed; consideration should be given to the type of jobs retail creates; hundreds of people working good construction and related trades jobs have been at Alameda Landing for months; however, retail workers probably make minimum wage; keeping Alamedans off busy highways to shop is a good thing; the proposed retail opportunities cannot be supported by Alamedans alone; she supports attractive waterfront developments, which has been discussed for years; lines can be crossed and uses can be mixed; having high end retail development does not prevent high end market rate residential, which would help pay for infrastructure; opportunities will present themselves; as speakers said, the City should think big; amazing things can

be done; the loss of redevelopment dollars has been lamented; the City's bond rating has been upgraded; figuring out how to pay for the things the City needs and wants without always relying on going into debt has been a good thing; every possible source should be tapped before falling back on the easy way out; staff did a good job of bringing the issues forward; the staff report indicates flexibility must be built into the strategy to adapt to changing market conditions, which is counter to the sequential order; the project is going to take place over 15 to 30 years and will see a lot of different economic cycles; flexibility should be kept in mind; the report states developing a greater diversity of land uses and housing types concurrently may allow units to absorb faster, which would result in more revenue sooner to offset expensive infrastructure costs up front; the City wants to proceed cautiously; however, multiple, different types of development can be entertained simultaneously and would benefit the City.

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Councilmember Daysog left the dais at 9:54 p.m. and returned at 9:56 p.m.

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Board Member Knox White acknowledged Planning staff's incredible effort; thanked Councilmember Tam, with support from others, for requesting a disposition strategy; stated the disposition strategy is a Council decision which impacts zoning and other Planning Board recommendations; a key question is what is the goal of the strategy, which he thinks should be to: guide efforts, protect finances, protect the City from liability issues, ensure the core vision, which includes a vibrant town center, being fiscally neutrality and generating revenue; that he believes the strategy is too broad; gave a Power Point outlining his suggestions.

Mayor Gilmore stated when the City went through the Lawrence Berkeley National Laboratory (LBNL) process, LBNL had concerns about whether staff would be able to take care of personal matters on the lunch hour or before or after work; the Town Center has to go forward at the same time as a component part to help attract development to Alameda Point; the enterprise zone and Town Center go together; amenities have to be provided for workers and existing residents; requested staff to address subsidies.

The City Manager stated items one through nine are not in a strict pecking order; market place realities indicate housing is not hard to get right now; other areas are going to require more imagination and work; assuming the enterprise zone would require a subsidy to the backbone infrastructure is a mistake; the City will have to finance backbone infrastructure because the City will control the construction; the City will not overbuild for things not there; the backbone infrastructure will not be brought to the door of the enterprise area and the City will not proceed if sufficient funds are not coming in; backbone infrastructure to the enterprise area is the same backbone infrastructure for the Town Center; they go hand in hand from the infrastructure perspective; the City will provide backbone infrastructure to the door of each super pad and individual developers will be required to build infrastructure on their property

whether leasing or purchasing the land; the work being done now on the EIR and zoning will make the property more valuable when the City goes to market; time and entitlement risk will be off of the table; doing the EIR and zoning first was part of the City's strategy; most cities have raw land and do an RFP to figure out what to build, which is a beauty pageant; then developers sharpen their pencils to provide real numbers and cities are stuck because the community feels things were promised in the RFP process; the City is not being vague and is clear about the general uses; staff wanted to present a modest approach which recognizes the City cannot predict where markets will be in 15 or even 10 years; the document creates many different envelopes and scopes to allow the City to respond to market signals and proceed with projects which will financially benefit Alameda.

President Burton stated one concern is how infrastructure will reach sites; the City Manager has indicated the City will finance and install trunk lines and developers will pay for individual super pad infrastructure; inquired whether a mechanism would require developers to contribute a fair share of trunk lines costs so that the City could recoup at least some of the costs.

The City Manager responded in the affirmative; stated the mechanism will happen in many different ways, such as through lease payments or land sale costs; businesses will have to pay for backbone infrastructure maintenance going forward; the State does not currently have Infrastructure Financing Districts (IFDs); community benefit districts options were discussed in the MIP; the Governor vetoed IFDs for this year; however, the Governor is likely to sign something next year; Alameda and Concord attempted to get some type of financial mechanism together to deal with the infrastructure at both bases; staff is reaching out to other cities with similar issues and is hopeful some financing mechanism will be approved next year.

Mayor Gilmore inquired whether staff is analyzing how much of the backbone infrastructure each parcel will have to pay as part of the MIP.

The Chief Operating Officer – Alameda Point responded in the affirmative; stated developers would be responsible for building infrastructure related to their site and would also pay a prorated share of the site wide infrastructure; every parcel will capture its burden; not requiring a developer to pay a fair share would be a Council decision; if a site does not pay its fair share, another site down the road would have to pick up the cost; the amounts would be built into fees; staff is drafting an RFP for Alameda Point fees to capture the pro rata share of larger, site wide infrastructure, including some of the larger parks.

Councilmember Daysog stated the strategy is a means to implement the Alameda Point vision, which could be a funky, eclectic place for professionals, bohemians and new businesses, similar to the Planning Board presentation by SOM; that he is okay with focusing on retail, while not excluding other things; he is also okay with commercial, industrial and housing being fourth because things are going to occur close together;

the document gives staff leverage to have projects in the pipeline while saying the City needs to focus on retail and job creation; reviewed Oakland housing projects examples for context; stated parts of the Alameda Point project, such as the Town Center, will not take 30 years; 1,400 housing units could enter the pipe within 15 years; housing will have to occur close [in time] to retail or enterprise area development because the City will need some kind of bonding to pay for infrastructure; Phase I infrastructure will cost around \$190 million, which says something about the density of land uses; the strategy staff put together will help the City achieve the vision; for housing density, emphasis should be on multifamily, which would draw younger adults with spending habits which differ from families or someone in their late 40s or 50s without discretionary income; the Town Center should have higher density to bring a demographic that would lend itself to a funky, eclectic environment.

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Vice Mayor Ezzy Ashcraft left the dais at 10:28 p.m. and returned at 10:32 p.m. and Member Tang left the dais at 10:33 p.m. and returned at 10:35 p.m.

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Councilmember Tam stated that she appreciates having a joint meeting with the Planning Board; the discussion has been thoughtful; further stated the multi-prong approach staff is recommending dovetails with Board Member Knox White's guiding principle strategy on priority areas; areas present opportunities to review land banking; as the City Manager mentioned, the City will have no trouble getting single family home developers, which might be an area that should pay for itself and be land banked while focusing on multifamily housing and the Town Center; the criteria should help staff make decisions as inquiries are received from developers; discussed subsidies and the of the Stargell Avenue project example; stated the disposition strategy should be melded with Board Member Knox White's comments.

In response to Mayor Gilmore's request for clarification, Councilmember Tam stated that she liked the mapping which showed priority, opportunity, and land banking areas; criteria should define what the City envisions in the areas and whether the City would be willing to consider financial subsidies or tax incentives.

Mayor Gilmore stated that she understands the concept of the priority areas; however, she does not understand the criteria addressing the development desired in the areas because that is addressed by the zoning and EIR.

Board Member Knox White stated the zoning has a lot of flexibilities and does not have a lot of guidance right now; the zoning does not have specificity or indicate where to put a shopping mall; that he thought Councilmember Tam is saying the criteria should evaluate whether or not projects meet what the City want to do while having flexibility staff wants.

Mayor Gilmore stated the ability to respond to market conditions and have flexibility has

been discussion since starting the EIR and zoning; no one has a crystal ball to know what opportunities are going to be presented; discussions should set the outer limit of the envelope; different things can fit within the envelope; staff would present proposal to Council, which best fit the City's priorities, visions, and needs.

In response to Councilmember Tam inquiry regarding where projects would go, the City Manager stated the City is either going to have flexibility or not have flexibility; zoning determines what goes where; general areas are known; every project will go to the Planning Board and City Council; that he does not understand what the intermediate criteria could be which would not be covered by zoning and yet would be flexible and not prescriptive or predictive; staff will not bring anything that does not meet zoning and the EIR.

Councilmember Tam stated the zoning and EIR are flexible, which is different than the priority areas.

The City Manager stated the zoning and EIR are not totally flexible.

Vice Mayor Ezzy Ashcraft inquired whether the zoning would be form based; stated there are certain categories, such as the maritime zone; the form based code outlines the types of uses which would be appropriate for an area; painting should be with a broad brush to allow for an opportunity that is not on the criteria list.

The City Manager responded form based zoning would be done for the Town Center; stated there needs to be a sense of place; something progressive would be done at the Town Center; staff knows a building cannot be more than 10 stories unless it is a signature building; questioned what the intermediate step would be; stated Board Member Knox White and Councilmember Tam want a sieve which would indicate whether staff should bring projects to a specific area; that he does not understand the intermediate step because the zoning is not meaningless; the Planning Board has done a lot of work; saying anything can go anywhere does not conform with the maps and strategy put forward; no one can predict what is going to happen; staff cannot predict where the market will be in 5 to 8 years and the City does not have money to subsidize projects; requested clarification of the intermediate step.

Mayor Gilmore stated that she was just going to ask Councilmember Tam or Board Member Knox White to explain.

Board Member Knox White stated as part of the disposition strategy, the Council should indicate places the City wants to focus efforts and create priority zones; information would be provided on fiscal neutrality and traffic impacts before anything is presented; information should be provided about how staff feels the proposal will impact the land; the criteria is not a next step, rather it is information the Council would use to judge whether or not a project meets the goals.

The City Manager stated Board Member Knox White is proposing to form base zone the entire Base before doing anything.

President Burton stated that is what is being done.

The City Planner stated the zoning for the entire Base has elements of form based code; the zoning is going to articulate how buildings should look and feel and address the form, not just use, such as retail versus housing; the Town Center grant is going to take the form based zoning to a much higher level; SOM was hired; the Town Center has to be designed just right; the City might want to be a little more nimble for other business areas which are a little bit harder to predict; the form based aspect has been toned down for the enterprise district.

President Burton review the idea of form based code and provided an example.

The City Planner stated any proposal staff brings would have to pass the first filter of being consistent with the General Plan, zoning and other adopted plans; Board Member Knox White is raising other questions the property owner has to consider, such as whether the project works with the infrastructure and fiscal neutrality policy.

Member Alvarez-Moronni stated Board Member Knox White has shown an overlay; however, the City is not at said point yet; the process is going to be organic and is probably going to happen a lot faster when the EIR is approved; the Planning Board subcommittee is discussing the SOM idea; the next step being proposed is much more specific and the City is not there yet; the City is still working through the EIR, zoning, and what the form based areas are going to be; a template is already there; Board Member Knox White is imposing another layer, which is a little more confusing because developers are unknown; at some time, there has to be a specific conversation about finance; right now, the City is still at the draft EIR point.

Councilmember Tam inquired whether being at said point would preclude the City from having a strategy.

Member Alvarez-Moronni responded there is a strategy.

The City Manager stated there is a strategy; staff would not bring a project for single family cul-de-sac homes in the enterprise zone or for the Town Center in the adaptive reuse area; staff is being asking not to bring a deal unless certain financial criteria are met; however, the City will not have answers until a developer is given site control; the City is trying to bring in private investment; developers do not spend money on detailed econometric work and drawings until they have site control; the proposal tonight puts the cart before the horse; developers would be asked to meet certain conditions and would not be able to provide an honest answer until they have site control; the proposal asks for less flexibility; the City's entire approach has been broadly define what is acceptable; everything will have to go to the Planning Board and the Council; conditions

may change; predictions do not work.

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Member Koester left the dais at 10:55 p.m. and returned at 10:57 p.m.

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(13-426) Vice Mayor Ezzy Ashcraft moved approval of continuing past 11:00 p.m.

Councilmember Tam seconded the motion, which carried by unanimous voice vote – 11. Absent: Member Koster – 1.

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Mayor Gilmore stated there seems to be consensus that the priority zones are the Town Center and enterprise area; the City hired a consultant and the Planning Board has worked really hard to figure out what the Town Center will look like; the form based code gets down to the nitty-gritty of what actual buildings will look like and what uses are going be; that she has trouble with form based code for the rest of the Base and having some sort of mechanism to filter potential uses.

Member Knox White stated the term criteria is the issue; criteria would not determine whether or not something should be brought forward, but would be used to evaluate information; the Council would determine what information will help with making decisions; the evaluation is not yes or no and simply provides financial and traffic impacts and how projects interact with other land use; the criteria could be a one page sheet with information which would go to the Planning Board and Council; nobody knows what the use will be within the zoning and EIR; the analysis will provide information which can be used to say a project that might generate a lot of traffic is important and should be done; the decision would be made in a mindful way; the City should identify important issues ahead of time, such as finance and traffic, and know what information will be evaluated; the criteria would prohibit a project that does not get four As from coming forward.

Mayor Gilmore inquired how the suggestion is different than a regular staff report.

Vice Mayor Ezzy Ashcraft stated too much specificity is not a good thing in some cases; each project is going to be unique; staff reports tend to be very thorough; the wheel does not need to be reinvented; the City Manager's ear is to the ground and he knows what other communities are doing successfully and that is all going into the mix; that she worries about building specific criteria for a situation that is not a one size fits all; a quality project is desired and there are enough ways to get that; traffic is on everybody's mind, yet the City will not redo an EIR every time a proposal comes forward; the uses are laid out with room for flexibility; that she is comfortable given the input presented tonight.

Mayor Gilmore stated every Alameda Point project will influence the rest of Alameda Point; hopefully, the first project will make the area more desirable.

Councilmember Tam stated the Mayor's statements are consistent with what she and Board Member Knox White are thinking about when discussing broad categories, priority areas, opportunity areas, and land banking; interrelationships should be thought about strategically; the City does not want a hodgepodge; the Town Center having housing above retail has implications for other areas.

Mayor Gilmore stated that she does not understand the mechanism being proposed; inquired how the mechanism differs from a staff report.

Member Knox White responded the criteria would be a tool for the staff report; suggested the Council have a conversation at another time about, for example, how a project impacts surrounding areas; perhaps a decision will be made that said criteria is bad; no matter what is built, fiscal neutrality is going to be something the Council will care about; fiscal neutrality should be defined so everybody is clear; the same is true for transportation; that he is talking about universal things, not things that are possibly going to change as development proceeds; having a discussion about the core criteria would benefit the Council and community; discussions sometimes get lost in talking about how special a project is; being mindful about the core things the City wants would be good.

* * *

Councilmember Tam left the dais at 11:04 p.m. and returned at 11:07 p.m.

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Board Member Zuppan stated one challenge is that strategies differ based on financing; the first car over the bridge might have to pay for a big portion of the bridge; the first thing that goes in at Alameda Point might have a number of challenges; LBNL wanted other infrastructure pieces when it was considering Alameda Point; businesses want places for employees to go; the EIR transportation solution includes attracting businesses and housing at the same time; a catalyst is really key and has to solve transportation, financial, infrastructure and amenity issues; amenities and housing are the easiest pieces; figuring out how to solve transportation issues can be done by bringing in a business; the City will not have a problem attracting houses and smaller businesses, but will have trouble funding the government infrastructure; hearing the Council's consensus to have a catalyst in the area around the water is helpful; a catalyst project can solve issues, such as infrastructure, and is like getting the first few pieces in a puzzle, which is why determining what the catalyst looks like is a struggle; the Council and Planning Board can tweak the zoning if it turns out to be totally wrong based on the catalyst project.

President Burton stated hearing from the Council about priority zones would be good; housing is limited; about 1,200 units remain after counting units for the Alameda Point Collaborative and Big Whites; perhaps to make the Town Center successful, a determination should be made about the housing units; one determination might be that

the Main Street neighborhood should be land banked until the City exceeds the 1,400 limit; that he has been thinking about the same priority zones as Board Member Knox White; the enterprise zone is blank land which is relatively attractive; the historic district buildings are beautiful, but will be really tough; Council should weigh in on such matters.

Mayor Gilmore stated that she thought she heard consensus among her colleagues about the priority zone being the Town Center and enterprise zone, which are probably going to go together organically; housing is a little bit tougher; she understands the theoretical desire to put all of the housing in the Town Center phase and have 1,200 multifamily units because it would help transit; however, she does not know whether building 900 instead of 1,200 housing units would be significant for retail or transit; the number of Bayport housing units did not do anything for transit; that she would like to have the flexibility before facing a unit penalty because a decision might be made to build single family houses if somebody is going to pay a lot for the land; reaching a deal with the Navy took 17 years; she is hesitant to put all the housing eggs in one basket; going to the Navy in five years to say the deal struck no longer works for the City could be a momentum killer.

President Burton stated one reason transit might not have worked at Bayport is because single family, rather than multifamily, housing was built; multifamily housing is more supportive of transit; the 1,425 limit could be reached quickly whether housing units are built at the Town Center or some are reserved for the Main Street neighborhood; the City could end up holding a conversation with the Navy quickly.

Councilmember Chen stated building Bayport, which is only 500 homes, took at least five or six years; realistically, building 1,425 units could take decades; that he really likes the approach that staff will not just concentrate on the business aspect and will develop some housing, especially using the multifamily housing overlay; the City's housing needs should be met; the waiting list for affordable housing is very long.

Vice Mayor Ezzy Ashcraft stated that she would like staff to come back with more information; she is intrigued by the concept of the priority zones; requested information about what Alameda Point land banking would look like; stated that she does not have enough information to decide whether or not to support allocating 1,425 units at the Town Center.

Board Member Henneberry stated the meeting tonight is to comment on the EIR and disposition; the level of specificity being discussed is way too detailed.

Board Member Knox White stated one outstanding zoning question is whether or not to have housing on the waterfront facing the seaplane lagoon; the amount mentioned has been a quarter of the waterfront or less; getting Council direction on the issues would be good; noted zoning is specifically embedded in the disposition strategy.

Mayor Gilmore stated Council has not given a lot of thought to said matter at this point;

when staff comes back with issues discussed tonight, Council should discuss the pros and cons of having more housing on the water and embedded in that discussion is the overall number of housing units which will be initially constructed; the issues dovetail because deciding to have more housing on the water raises the question of whether to spread units over more areas.

CITY MANAGER COMMUNICATIONS

(13-427) The Assistant City Manager presented the results from a survey for naming options for Alameda Point; stated the community favored Seaplane Village and Seaplane Lagoon.

COUNCIL COMMUNICATIONS

None.

ADJOURNMENT

There being no further business, Mayor Gilmore adjourned the meeting at 11:20 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.