

UNAPPROVED
MINUTES OF THE REGULAR MEETING OF THE
ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY

Tuesday, July 1, 2008

2-A

The meeting convened at 12:44 a.m. (7/2/08) with Chair Johnson presiding.

1. ROLL CALL

Present: Chair Beverly Johnson

Boardmember Doug deHaan

Boardmember Frank Matarrese

Boardmember Marie Gilmore

Vice Chair Lena Tam

(Chair Johnson was absent at the time of roll call, returned at approximately 12:50 a.m., during Item 3-A)

2. CONSENT CALENDAR

2-A. Approve the minutes of the Regular Meeting of June 4, 2008.

2-B. Approve a Sublease for Stafford Stafford Sent Packing at Alameda Point.

2-C. Accept a \$128,000 Grant from the Federal Office of Economic Adjustment in Support of the North Housing Parcel Screening Process and Authorize the Executive Director to Execute Related Documents.

Approval of the Consent Calendar was motioned by Member Gilmore, seconded by Member Matarrese and passed by the following voice votes: Ayes: 4, Noes: 0, Abstentions: 0.

3. REGULAR AGENDA ITEMS

3-A. Alameda Point Update

Debbie Potter, Base Reuse and Community Development Manager, gave a brief update on Alameda Point activities. She stated that the highlight was the meeting that SunCal and ARRA staff had with Navy staff in San Diego on June 5th. Discussions included talking to Navy staff about beginning a process to kick off renegotiation of the term sheet, and the Navy has embraced a schedule that will get us to a term sheet by July 2009. SunCal has been working over past 6-8 weeks on land use and infrastructure assumptions, and the costs associated with the infrastructure proposals. Staff has also been working on the Federal legislation which was the focus of the update at the last meeting. Not much has changed, legislation was passed by the House in May, and is now awaiting activity in Senate. The Senate has not yet addressed the authorization bills, but we expect that it will happen in the next couple of weeks. Ms. Potter introduced Pat Keliher, SunCal's project manager on the Alameda Point project, to answer questions from the Board.

Member deHaan asked whether the language revisions on the legislation had been ironed out. Ms. Potter explained that the revisions were made reflective of the direction from the ARRA and that the Navy and the VA are currently reviewing the proposed changes.

Member Matarrese requested, for the public, that Ms. Potter comment and describe the letter the Navy sent to the ARRA in response to the ARRA's request for funds to provide services to Alameda Point. Ms. Potter explained that the Navy sent the ARRA a response that there is a 50 year Lease in Furtherance of Conveyance (LIFOC) Agreement that allows us to lease the property, collect revenue, and use the lease revenues for maintenance of the property. The Navy further stated that they did not anticipate revisiting the terms of the LIFOC for maintenance activities.

Member Tam asked if the Navy is implying we increase our lease rates in order to generate the necessary funds we were requesting. Ms. Potter replied that that was the conclusion the Navy has eluded to, but that they were not offering to step in, nor did they offer any options to augmenting anything.

Member deHaan expressed his concern and dissatisfaction with the Navy's response - given that the property is in a state of deterioration and does not make economic sense - and requested further discussion. Chair Johnson agreed and requested the item be agendaized and brought back for discussion at the next ARRA meeting.

Pat Keliher gave a brief update on the high level topics, including infrastructure, baseline assumptions, and mitigation on some of the issues. He stated SunCal's goal for their consultants and City Staff to agree on baseline assumptions, which affect the entire land plan. He's optimistic that progress is being made to achieve that goal. The number one issue that SunCal and City staff has agreed on was what to assume for global warming, sea level rise and the design parameter, which is 18 inches - a reasonable baseline to set design standards. All of the land plan will be based on that assumption. Another important issue is the Floodplain and mitigation. SunCal is evaluating the pros and cons of three main options: 1) elevate everything, 2) levy systems, or 3) a combination of the both. Mr. Keliher further discussed that their Environmental consultants are working with the Department of Toxic Substances Control (DTSC) and the Environmental Protection Agency (EPA) to agree upon what these agencies will allow SunCal to build - housing? housing over retail? What are the requirements? SunCal is slowly getting answers from the agencies. Another high level topic is the Sports Complex - Nick Kosla of SunCal has been working with Dale Lillard, Recreation and Parks Director, to identify and interview three master planners for the Sports Complex. They are hoping, that in the next week or two, to select a master planner and begin the public process. The next community meeting is scheduled on August 7th, which will include a summary of the last meeting and new information to date, as well as information on the Sports Complex. There is also a plan to schedule the next meeting with the Navy at the end of July to discuss the Business Model and Plan.

Mr. Keliher informed the Board that SunCal has conducted a survey on most of the existing historic buildings to determine if their floor is above floodplain. Some hangars are still in the floodplain, but most are out, including City Hall West. The survey gave SunCal an important and good datapoint which is useful in evaluating their adaptive reuse formula.

Mr. Keliher concluded by informing the Board that SunCal has a new capital partner, which they will bring back to the Board in August.

There was one speaker on this item, Bill Smith, who discussed several topics, including the 18-inch baseline.

4. ORAL REPORTS

4-A. Oral report from Member Matarrese, Restoration Advisory Board (RAB) representative.

Member Matarrese did not have a report, as the next RAB meeting is on Thursday, July 3rd.

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

There were no speakers.

6. COMMUNICATIONS FROM THE GOVERNING BODY

Chair Johnson reported that she attended the Spring Meeting for U.S. Conference with Mayors, and that it was very good. Member Tam asked if Chair Johnson had the opportunity to meet Senator Obama. Chair Johnson said she heard and saw Senator Obama speak, but did not meet him. She did, however, get Bill Clinton's autograph.

7. ADJOURNMENT

Meeting was adjourned at 1:00 a.m. (7/2/08) by Chair Johnson.

Respectfully submitted,

A handwritten signature in cursive script, reading "Irma Glidden".

Irma Glidden
ARRA Secretary