

SPECIAL MEETING OF THE
CONCORD CITY COUNCIL/
CITY COUNCIL SITTING AS THE
LOCAL REUSE AUTHORITY
ALAMEDA LANDING
ALAMEDA, CALIFORNIA
MONDAY, JULY 27, 2015

The Concord City Council met in a special meeting at the Alameda Landing in Alameda, CA at 12:30 p.m. on Monday, July 27, 2015, with Mayor Grayson presiding. Minutes follow in abbreviated form per Resolution 3361 and Council Minutes of September 26, 1966.

ROLL CALL

COUNCILMEMBERS PRESENT: Edi Birsan, Laura Hoffmeister, Tim Grayson

STAFF PRESENT: Valerie Barone, City Manager; Michael Wright, Executive Director of Local Reuse Authority

**MEMBERS OF THE PUBLIC
WHO ADDRESSED THE COUNCIL:** None

PUBLIC COMMENT PERIOD

INSPECTION OF REAL PROPERTY

i. Opening of Public Meeting – 12:30 pm

Mayor Grayson convened the Public Meeting at 12:30 p.m. with Councilmembers Laura Hoffmeister and Edi Birsan present. Community members Rosanne Nieto, Ray Barbour, Joel Devalcourt, Margart Hanlon-Gradie, Matt Leber and Seth Adams were transported to the site. Kevin Franz, Danielle Barcena, Mike Alfieri and Kenneth Jones joined the tour on location. Valerie Barone, Michael Wright and Pamela Laperchia represented the City staff.

The tour started at Ruby Bridges Elementary School where members from Concord were introduced to Catellus staff and the City of Alameda staff. Catellus representatives were Steve Buster, Ted Antenucci, Bill Hosler, Sean Whiskeman, Tom Marshall, Greg Weaver, Bill Kennedy, Debra Paul, Mike Kuykendall. Debbie Potter, Community Development Director, Andrew Thomas, Planning for the City of Alameda and Councilwoman Marilyn Ezzy-Ashcraft were present as well.



The tour started with a walk through a portion of the Alameda Bayport community. After viewing several product types and open space areas, the group boarded the bus and drove through the balance of the Bayport community. Special note was given to two affordable housing projects.



Homes in Bayport and community green spaces



From there, the tour group boarded the bus and toured the Bayport development. Steve Buster pointed out the affordable housing sites, The Breakers and Shinsei Gardens. The tour then progressed to a new commercial/retail site that is part of the Alameda Landing project. Catellus provided an overview of several projects. Tour participants also heard from City staff (Debbie Potter) and Alameda Councilmember Marilyn Ezzy-Ashcraft. The following questions and answers were generated throughout the public meeting.



Questions from public and Council:

Kenneth Jones – How many different buildings in this Phase of Bayport? *Catellus is the master developer for the 485 unit subdivision which is single family homes; there is 46 moderate income units for sale throughout the*

project; Catellus was a partner in terms of additional funding of 101 very low/low income rental units; one project is 52 units and another project is 39 units, and another 10 affordable townhomes. Meets the 25% inclusionary requirement that dispersed throughout the subdivision.

Edi Birsan – In terms of the affordable housing, who owns the title on the rentals. *RDC owns both of the rental properties. That is like 2/3 of the affordable housing is in that property. Yes, in two separate buildings.*

Laura Hoffmeister - The construction of the houses, were those built by Catellus or did you have other developers come in? *The Bayport market rate homes were built by Warmington Homes. RDC built the affordable in this phase. The next phase is TRIPointe Homes.*

Laura Hoffmeister – Did the horizontal include the interior streets on the residential or was that done by the vertical builder? *Some of both, in tract public streets were built by Catellus.*

Laura Hoffmeister – You are doing the waterfront mix use as well? *Yes. And then the two other residential as well. Those are being done by TRIPointe Homes, we did the infrastructure work. TRIPointe is building more homes, the last phase remaining is 20 acres on the waterfront.*

Laura Hoffmeister – Confirm in Bayport Warmington the vertical houses, and RDC who did the affordable? *Yes, that is right. So then TRIPointe is the other two? Right, we compete all vertical development to get the best deal for the project and the City.*

Edi Birsan – Everything is two stories? *Generally yes, although the latest phase has models that are three stories.*

Laura Hoffmeister – How do you get the cars off the streets? *It is a constant challenge. We put conditions in CCR's...red curb/no parking. Design the streets to not allow for a lot of parking. It is a balancing act.*

Laura Hoffmeister – Is this close to what you had as a community vision? *Yes, very close. Initially there was a vision there would be more office space but not as much retail, that was a change along the way. Sales tax rev was desirable. Strong demand for Target on the Island and was able to accommodate that but everything else was originally visioned.*

Mike Wright – Who maintains green open spaces? *It is HOA maintained.*

Valerie Barone – What is happening with homes prices here, where are they and are they going up? *They have done really well here. Great area, great neighborhood, bigger homes. One active listing here is 2800 sq ft is \$1.15M. Pricing is consistently going up. The project architecture resembles other parts of Alameda.*

Kenneth Jones - Any ongoing monitoring, like well monitoring? *There are wells throughout the project that have been monitored and continued to be monitored.*

Kenneth Jones – Where there any big surprises? *Typical of a military base redevelopment there have been some surprises but by the time we have all of the final mitigation measures and have a work plan for everything we could run into, surprises are mitigated.*

Laura Hoffmeister – Was there anything that came up during the process that was not expected from the community as the progress goes along? *First conceptual plan for this area had a lot more office use and less retail but we had to be mindful of the economy. Came back to planning department saying we wanted to shift usage and this is what we want it to look like. Not anticipated as far as surprises, we always anticipate traffic concerns, comes up every time. Some concerns with big box store but worked with labor and Target. You just have to be flexible.*

Laura Hoffmeister – What about Catellus? What was their approach in addressing people with those concerns and issues? How did Catellus respond or what was their approach in addressing those? *Councilmember Ezzy-Ashcraft indicated Catellus was always responsive and they worked with City staff to get*

things moving in the right direction. Catellus feels there is no point in trying to sell people something they don't want so you might as well be responsive and receptive.

Edi Birsan – The transfer process, has been going on for decades, what was your interaction with the Navy and Catellus? How did that partnership work between the City staff? What did Catellus do for you in that transition phase, what was their roll and the transfer process? *It is a little different than the situation in Concord. Bayport (East Housing) was an early transfer PBC, FISCA (Alameda Landing and the Waterfront) was conveyed by special legislation so didn't go through reuse authority. Because this wasn't part of BRAC, Catellus was not heavily involved with conveyance. The City received this land as a no cost transfer, City then conveyed the land to the RDA so the RDA was able to do it's development deal with Catellus. It was all done before RDA went away. Catellus did work with the Navy throughout cleanup, getting all of the approvals, just not with the initial transfer.*

The Navy doesn't move exactly the same time line on the environmental cleanup, there were a lot of coordination and work-arounds to make deadlines. Tons of coordination on the cleanup piece. The Navy is on a different schedule than the real world so you spend a lot of time strategizing about that.

Laura Hoffmeister – What was Catellus' role or did they have a roll in that particular circumstance you just outlined? Was it mostly City staff or was Catellus taking the lead? *Catellus was responsible for bringing all of the backbone infrastructure to the site, doing all of the soil treatment and getting it ready for sale this required very close coordination with City staff.*

Edi Birsan – Was there a formalized structure committee that stood between the City Council and the developer? *There was a base reuse advisory group that was put together right when the Navy announced it was closing in the mid-to-late 90's, that advisory group worked on the community reuse plan but several years after the reuse plan was approved, the Council disbanded the group and the project after that really went the through the City's typical development process working with the planning board and then on to City Council.*

Edi Birsan – The residential area has an HOA, I'm assuming it is required for anyone? Yes. You also showed us the rental area, how does those residence fit in in terms of representation, how is their voice heard? *The apartment projects are not part of the HOA but there is close coordination because there are some shared streets and some other amenities that are shared so there is onsite property management. It is really professional staff at the apartment projects that coordinate with the HOA.*

Joel Devalcourt – In terms of residential inclusionary percentage between the first phase, second phase and third phase, can you describe how that came in? Maybe that was part of your negotiations with the City? *The 25% inclusionary at Bayport, when Catellus first got its entitlements in 2000. However, the City was sued on its CEQA documents and there was a settlement agreement and the settlement agreement reaffirmed a 25% inclusionary housing target. When the entitlements went through for a mixed use project then TRIPointe applied for a density bonus and to qualify for their density bonus, they had a 16% inclusionary obligation pursuant to the density bonus ordinance.*

Laura Hoffmeister – Who filed the CEQA lawsuit against the City? *Renewed Hope and ARC Ecology. A collation of affordable housing and environmental advocates.*

Margaret Hanlon-Gradie – How do the shuttle buses to mass transit work? How long have they been in operation? Who is running them and what the plans are to tie up with other public transit? *Big transportation demand program is in place and the shuttle is one piece of it. The whole program was required to be up and running when Target opened. The shuttle has been running since day one and has about 100 people taking it every day to the 12th Street BART station and back in the morning and evening commute hours. So that is 100 people a day just based on the retail center and some of the residents of Bayport. The shuttles are privately run by Catellus.*

Laura Hoffmeister – Who runs the shuttle, is that through an agency or a private organization? *It is a private company until such time AC Transit has service out here that will go from Alameda Landing to 12th Street BART.*

Laura Hoffmeister – Who is picking up the cost for that? *It is GAP funded by Catellus and eventually funded by all of the retail operators and residents, an annual small amount to transportation.*

Laura Hoffmeister – Is that in addition to their community facilities fee? *Yes. There is a list of fees. The other requirement is all of the residents will be given free bus passes that are provided through the assessment. It is free to the City.*

Valerie Barone - We have talked about a lot of different fees, can you run down the fees if you own property here, what are you paying? You have your community facilities, you have HOA, your transportation, what all are they paying? What is the impact? *Municipal services district, which is for the maintenance of the public infrastructure, there is an HOA fee for the maintenance of the private roads and common areas. There is a community facilities district which is funding the capital improvement, the backbone infrastructure, a TDM program to fund the transportation program. All of this is part of the program to be fiscally neutral. There are another set of fees the developer pays to help offset. We can get you a list of both sets of fees.*

Tim Grayson – As far as the financial agreements between the MD and the City, has it pretty much unfolded the way it was put up front or have there been some significant impacts that have changed things financially for the relationship between Catellus and master developer? *It is constantly evolving, we will lay out a proforma from day one on all of these projects you do the best job you can in identifying where the issues are but different things come up and we did think initially coming in this would be highly desirable for office and it ended up the market just wasn't there. So it is constantly changing, the infrastructure costs were very expensive here, much more so than it would likely be in Concord in terms of the soil and the issues that are underground here are very challenging. We are not yet done with it and we don't know where we are going to end up with the Waterfall, the second phase of housing is doing really well. From our perspective it has worked out well. It is a similar situation to what we have done in Austin and several other projects in terms of a waterfall.*

Tim Grayson – Sounds to me like the main goal Council directed to staff was we don't want to build on the back of General Fund. *Absolutely. And you have met that goal. Absolutely.*

Laura Hoffmeister - That is the same objective Council has in Concord obviously you don't want to burden your existing community with costs for a new project. Since it is covering it's cost, is there yet a positive profit above covering costs that is a net benefit coming back to the community as a whole to your General Fund? *If the project hits an 18% IRR at the end of the day.*

Edi Birsan – What is the end of the project? *When the Waterfront Project is completed. Basically Alameda Landing is pretty much done, there is the last 20 acres on the Waterfront and under the deal Catellus has to commence construction on that by December 2017.*

Laura Hoffmeister – But are you seeing Sale tax revenue tying back to that? *Absolutely. Target is in the top 10, probably the top 5 sales tax generators from the moment it opened which hasn't even been a full fiscal year.*

After the question and answer session, the group walked over to Willie Stargell Plaza and then toured TRIPointe model homes as part of the Alameda Landing. The last stop on the tour was the waterfront where the last development phase of Alameda Landing will take place. It was immediately across from Jack London Square.



Bicycle repair station at Willie Stargell Plaza



Single family homes, still under construction.

By order of the Mayor, the meeting was adjourned at 3:25 p.m.



TIMOTHY S. GRAYSON
MAYOR



JOELLE FOCKLER, CMC
CITY CLERK