

MEETING #15
CITY OF SAN LEANDRO
SHORELINE DEVELOPMENT CITIZEN ADVISORY COMMITTEE
(SHORELINE CAC)

June 15, 2011
7:00 p.m. – 9:00 p.m.
Marina Inn, 68 Monarch Bay Drive, San Leandro

M E E T I N G N O T E S

Committee Members: Audrey Albers, Clinton Bolden, Michael Cook, Marie Chiu, Dave Clark, John Dilsaver, Tom Fitzsimons, Marilyn Fong, Alfred Frates, Babs Freitas, Rezsín Gonzalez, Adrienne Granger, Jeff Houston, Robert Leigh, Matt Maloon, Rene Mendieta, Steve Modifer, Kent Myers (Chairperson), Christina Ramos, Gil Raposo, Carole Rinaldi, Caryl Ann Symons, Dan Walters.

Absent: John Carlson, Victor Chen, Diana Cin, Peggy Hynd Combs (Vice Chair), Bob Haynes, Jr., Rebecca Jewell, Susan Leiga, Michael Nolan, Victoria Robles, Lee Thomas, Ronnie Turner.

Consultants: Scott Cooper and Ed Miller, Cal-Coast Development.

City staff: Public Works Director Michael Bakaldin, Business Development Manager Cynthia Battenberg, Facilities and Open Space Manager Debbie Pollart, Marina Supervisor Delmarie Snodgrass, Senior Development Specialist Elmer Penaranda.

Public present: James Driver, Gerd Marggraff, Janet Palma, Alex Santos (Horatio's), Audrey Velasquez (Marina Inn), Dave Johnson (Chamber of Commerce), Jim Prola (City Councilmember).

I. Call to Order

Chairperson Myers called the meeting to order at 7:00 p.m. and introduced City Councilmember Jim Prola in attendance. Staff conducted a silent roll call of the Shoreline CAC based upon the name tents that the members picked up or did not pick up at the front door of the meeting room.

II. CAC Business

A. Cal-Coast to Present Aquatic Park vs. Marina Park Financial Feasibility Analysis

Ed Miller and Scott Cooper, Cal-Coast, presented the financial feasibility analysis that they performed to determine if revenue generated from the proposed land-side development could cover the costs to implement and maintain the Aquatic Park or the

Marina Park alternatives for the harbor basin. (see attached powerpoint slides). Cal-Coast projected that the Marina Park option would require a \$20 million initial capital investment and \$11.5 million for dredging over 20 years, which would result in a net cost to the City of \$11.13 million over 20 years. The Aquatic Park option, which requires a \$13 million initial capital investment, was projected to provide \$6.85 million in net revenue to the City over 20 years. The net difference between the two alternatives is \$17 million.

Discussion, including questions and answers, between the Shoreline CAC, staff, Mr. Miller and Mr. Cooper ensued (comments from the CAC are non-italic; comments from staff and Cal-Coast are in *italics*).

- Will the aquatic park eventually silt up? *No. According to the Harbor Basin Alternative Study performed by ESA, the aquatic park would be designed and constructed to not require on-going dredging.*
- Will the project generate revenue whether the inner basin is a harbor or converted into wetland? *Yes. Although a harbor is desired, either would be attractive to draw customers to the shoreline. The aquatic park alternative would not be a mudflat or swamp habitat.*
- Members Leigh and Frates felt the Committee had enough information to formulate a recommendation for the Aquatic Park alternative to the City Council based on the costs to construct and maintain it and on its ability to also generate revenue. Member Albers interjected that the Committee should review and study the proposals some more and not be too swift to make a recommendation. *Mr. Miller recommended that the CAC spend the next 30 days reviewing the reports and alternatives and ask questions in order to make a well informed recommendation at the next meeting date. Manger Battenberg added that the purpose of the meeting was not to decide on a recommendation at this time and asked the CAC to take the time to fully vet the alternatives and projections.*
- When does the developer think the development project would start? *From today, approximately five years to start Phase 1. The entitlement/permitting process would likely include an Environmental Impact Report (EIR), which can be lengthy and cumbersome review process.*
- What amount of rent could the marina generate with the Marina Park option? *A 30 foot berth could generate approximately \$2,500 per year at \$7 per lineal foot or \$2,900 per year at \$9 per lineal foot.*
- Has the City considered any opportunities or assistance by participating in the upcoming America's Cup? *Staff contacted the Association and found there were no possibilities.*
- Would it be acceptable to entitle the Marina Park option and then scale it back to the Aquatic Park option? *The cost of dredging and capital improvements to build the slips makes it cost prohibitive to implement that alternative.*
- Would Cal-Coast develop the land-side with either option? *Yes. As long as there is a viable plan other than a dilapidated and failing marina. Both alternatives provide a marketable option that will be a nice environment for the general public to visit.*

- What does the City Council expect to come out of the Shoreline CAC? *The Council is looking for a recommendation of a conceptual master plan that includes the land-side and the inner harbor basin. The Council felt that with the Shoreline CAC's knowledge of the shoreline, the CAC could develop a recommendation for the harbor based upon the information in the Harbor Basin Alternatives Study and Cal-Coast's feasibility study.*

The following comments or recommendations were provided by the Shoreline CAC:

- The City should consider acting swiftly with this process in entitling a development project for the shoreline so it can serve the new employees, patients and visitors that Kaiser Permanente will bring into the City upon the completion of the Medical Center on Marina Boulevard.
- There is a demand for covered slips at the marina. The City should not discount spending the money to dredge. Boater owners would likely come if the marina was constructed properly with larger berths, including covered ones, and dredging to the necessary depths for the larger boats.
- The Marina Park option may have too optimistic assumptions that some of the dredge material does not have to be disposed and that it can be moved to the westerly edge to create the small high marsh and wildlife refuge. Concern was expressed that these assumptions could put the financial feasibility figures at risk if the dredge material could not be pushed over to the west edge and that the material would be required to be disposed of.
- The San Francisco Board of Supervisors recently approved a new development project at Treasure Island. Perhaps San Francisco needs fill and would be willing to receive the City's dredge material.
- Kaiser physicians that own large recreational boats spend approximately \$12 a lineal foot per month for birth spaces. In addition they spend on local dining, lodging, and buying boats. Kaiser staff would likely spend a lot if their income at the shoreline if it included a marina.
- Dredging is an expensive on-going process to try to keep the harbor. The Aquatic Park is a reasonable direction to go. San Leandro is not as favorable a location as Emeryville and Oakland which are closer to the center of the San Francisco Bay and the Golden Gate Bridge.

B. City Staff review of Next Steps

Manager Battenberg stated that the next step will be a similar presentation by Cal-Coast to the Shoreline-Marina Committee on Tuesday, July 5, 2011. No action will be required. The matter is scheduled to return to the Shoreline CAC on July 20, 2011. At that meeting the CAC can consider approval of a recommended Conceptual Master Plan that includes both the future development of the land-side as well as the inner basin area. Subsequently in the fall, the CAC's recommendation will go to the City Council at a work session and that would be followed up with the Council's consideration of Approval of a Conceptual Master Plan.

C. Next Meeting Date

The next Shoreline Development CAC meeting date is scheduled for July 20, 2011.

III. Public Comments.

James Driver recommended that the City's Shoreline development coordinate its efforts with the development of Treasure Island. Treasure Island's new development may need dredge or fill material that the City may need to dispose of. He expressed concern that the financial analysis be thorough so that there are no hidden costs or financial problems in the future. The City's shoreline is a regional asset and should be maintained as such.

Gerd Marggraff expressed his support in moving forward with a development proposal. Investment would likely improve the City's demographics retain businesses in the City as well as draw new businesses. He is tired of looking at its current underutilized state. The America's Cup boating event is too far away to benefit the City's marina. He is hopeful that the City Council will make a decision after the Shoreline CAC's input. Development would be positive for West San Leandro and the City in general.

Chairperson Myers adjourned the meeting at 8:40 p.m.