CITY / PORT LIAISON COMMITTEE
Regular Meeting

November 1, 2007
6:00 p.m.
530 Water Street, Oakland, California
Exhibit Room, 1st Floor

Committee Membership:

Councilmember Nancy Nadel, Co-chair
Councilmember Henry Chang
Councilmember Pat Kernighan
Councilmember Larry Reid
Mayor Ronald V. Dellums, Ex-Officio

Port Commissioner Mark McClure, Co-chair
Port Commissioner Margaret Gordon
Port Commissioner Victor Uno
(If a Port Commission member is unable to attend, an alternate commission member will be designated)

Staff Members:

Deborah Edgerly, City Administrator
John Russo, City Attorney

Omar Benjamin, Port Executive Director
Joe Wong, Deputy Executive Director
David Alexander, Port Attorney
John Betterton, Secretary of the Board

PURSUANT TO SECTION 00.7 OF THE SUNSHINE ORDINANCE (EFFECTIVE APRIL 14, 1997), AGENDA ITEMS WITH NO REPORTS WILL NOT BE HEARD UNLESS A WAIVER IS GRANTED BY 2/3 VOTE OF THE COMMITTEE/COUNCIL. ITEMS THAT DO NOT HAVE REPORTS ARE NOTED BY THE FOLLOWING NOTATION: (NR)

AGENDA

http://portofoakland.com/portnyou/cale_lias_01.asp

1. Approval of meeting summary and determination of schedule for outstanding committee items:

   1A. Approval of meeting summary from October 4, 2007 meeting

   1B. Determination of next meeting date and review of pending agenda item list

2. Report by the Port of Oakland on the Status of the Planning and Development of an Additional Terminal at the Oakland International Airport.

3. Report by the Bay Area Rapid Transit District on the Status of the Oakland Airport Connector.

4. Report by the City of Oakland on Hegenberger Corridor Business Development.

5. Open Forum

IF YOU WISH TO PRESENT COMMENTS TO THE COMMITTEE ON SPECIFIC AGENDA ITEMS AT THIS MEETING:

- You must fill out a Speaker Card and give it to the Board Secretary as soon as possible.
- If you wish to speak on more than one Agenda item, you must fill out a Speaker Card for each item.
  At the appropriate time, the Board Secretary will call your name at which time you should immediately come forward to present your comments.

ITEM 1-A

APPROVAL OF MEETING SUMMARY FROM THE OCTOBER 4, 2007 MEETING

Item 1-A
City/Port Liaison Committee
Regular Meeting
November 1, 2007

CITY / PORT LIAISON COMMITTEE
Regular Meeting
Minutes

October 4, 2007
6:00 p.m.
530 Water Street, Oakland, California
Exhibit Room, 1st Floor

ROLL CALL

The meeting was called to order at 6:09 p.m.

In attendance were: Commissioner and co-chair **McClure**, Commissioner **Gordon**, Commissioner **Uno**, Councilmember and co-chair **Nadel**, and Councilmember **Kernighan**.

ITEM 1A

The September 6, 2007 meeting summary was approved by consensus.

ITEM 1B

The next meeting was confirmed for Thursday, November 1, 2007 at 6 p.m. in the Exhibit Room. The agenda will consist of the following items:

- Report by the Port of Oakland on the Status of the Planning and Development of an Additional Terminal at the Oakland International Airport.
- Report by the Port of Oakland on Taxicab Operations at the Oakland International Airport.
- Report by the Bay Area Rapid Transit District on the Status of the Oakland Airport Connector
- Report by the City of Oakland on Hegenberger Corridor Business Development.

ITEM 2

A report by the City of Oakland on the Oil Independent Oakland (OIO) by 2020 Task Force.

- Ian Kim, of the Ella Baker Center for Human Rights and member of the OIO Task Force, presented a report on behalf of the City of Oakland.

- Mr. Kim gave an overview of the work and progress of the Task Force to date, with a specific focus on the deliberations of the Port of Oakland working group.

ITEM 3

A report by the Port of Oakland on Parks and Public Access Initiatives

- Richard Sinkoff, Port Environmental Planning and Permitting Manager, presented an overview of the Port's public access and park initiatives, including Middle Harbor Shoreline Park

- Mr. Sinkoff and Port staff responded to questions and comments regarding access to Port public access opportunities, and areas for potential improvement.

ITEM 4

A report by the Port of Oakland and the City of Oakland on the Oak-to-Ninth/Brooklyn Basin Development.

- Pamela Kershaw, Port Commercial Representative, presented a report on the history and current status of the Port's option agreement with Oakland Harbor Partners for the Oak-to-Ninth/Brooklyn Basin real estate development.

- Claudia Cappio, Director of Development of the City of Oakland Community and Economic Development Agency, presented a report detailing the status of the project from the city's perspective, including an update on the legal challenges to the project.

- Stuart Rickard, representing the respondents to the City's RFP for the re-use of the Ninth Avenue Terminal, and John Sutter, President of the Board of Directors of the East Bay Regional Parks District, commented on aspects of the development.

OPEN FORUM

There was one speaker in Open Forum: Sanjiv Handa

ADJOURNMENT

The meeting was adjourned at 8:10 p.m.

ITEM 1-B

DETERMINATION OF NEXT MEETING DATE AND REVIEW OF PENDING AGENDA ITEM LIST

Item 1-B
City/Port Liaison Committee
Regular Meeting
November 1, 2007

City/ Port Liaison Committee
2007 Pending Agenda Items

December 6, 2007, 6 pm

- Report by the Port of Oakland and the City of Oakland on Local Hiring and Local Business Utilization Goals

- Report by the Port of Oakland on Taxicab Operations at the Oakland International Airport

ITEM 2

REPORT FROM THE PORT OF OAKLAND ON THE STATUS OF THE PLANNING AND DEVELOPMENT OF AN ADDITIONAL TERMINAL AT THE OAKLAND INTERNATIONAL AIRPORT

Item 2
City/Port Liaison Committee
Regular Meeting
November 1, 2007

Oakland International Airport
PROPOSED THIRD TERMINAL DEVELOPMENT PROGRAM

Report to the City-Port Liaison Committee
November 1, 2007

OaklandInternational

PORT OF OAKLAND

WHY BUILD A THIRD TERMINAL AT OAK?

- **Recommended by 2006 OAK Master Plan to meet future demand**
- **Facility overcrowding is expected to return in the near-term despite recent expansion of Terminal 2**
- **Airline service growth will be constrained by lack of terminal capacity**

OaklandInternational

PORT OF OAKLAND

The 2006 OAK Master Plan....

- Was developed with community participation (Stakeholder Advisory Committee)
- Forecasted continued growth of passenger demand at OAK
- Identified near-term projects and provided long-term on-Airport general land-use guidance
- Recommended construction of a third terminal to accommodate forecasted near-term air passenger demand

OaklandInternational

PORT OF OAKLAND

Summary of Master Plan Forecasts

	2004	2010	2025
Passengers	14.1 MAP	18 MAP	30 MAP*
Daily Airline Operations**	430	542	n/a
Cargo	0.7 MAT	0.9 MAT	1.5 MAT
Daily Cargo Operations**	156	164	n/a
Daily General Aviation (GA) Operations**	352	434	n/a
Based GA Aircraft	277	384	406

* Unconstrained demand (not achievable without a new air carrier runway, which is not recommended in the master plan).
** Operations are take-offs and (plus) landings
MAP = million annual passengers MAT = million annual tons

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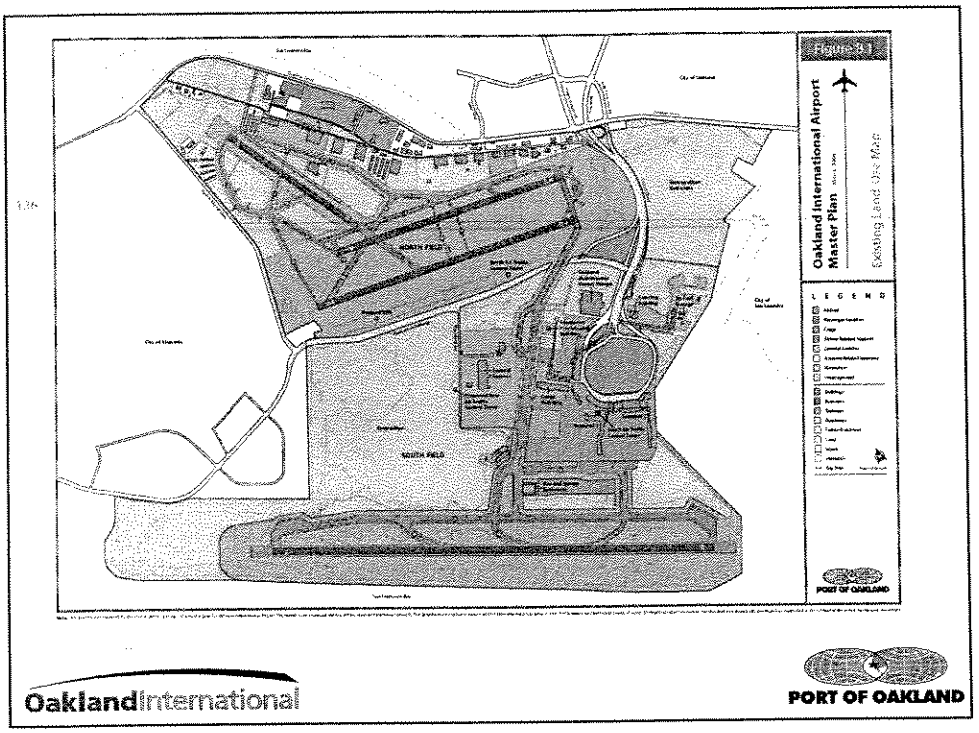
Figure 3.1
Oakland International Airport
Master Plan
Existing Land Use Map
LEGEND
NORTH FIELD
SOUTH FIELD
PORT OF OAKLAND
OaklandInternational
PORT OF OAKLAND

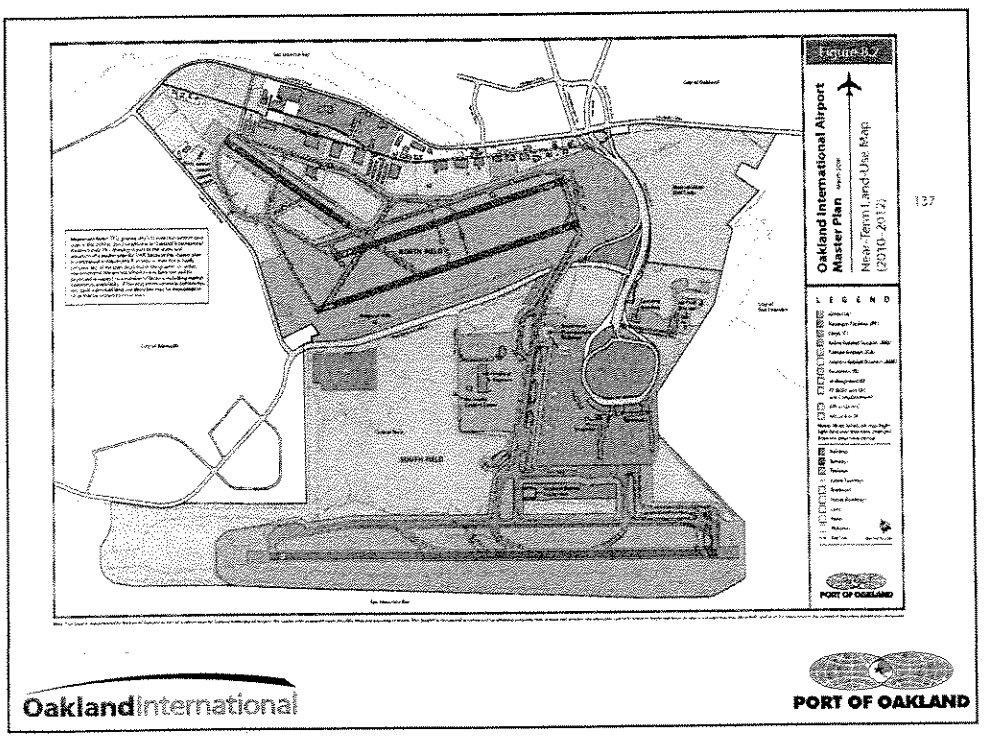
Figure 3.2
Oakland International Airport
Master Plan
Near-Term Land-Use Map
(2010-2012)
LEGEND
NORTH FIELD
SOUTH FIELD
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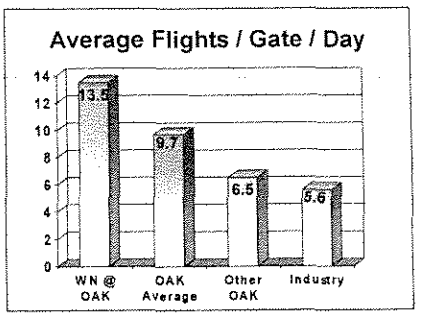
OAK terminal facilities are highly utilized...



Source: OAG August 2007, SmithBarney Hub Factbook

...and, while the recent expansion of Terminal 2 (five net new gates) will bring temporary relief, facility overcrowding is expected to return in the near-term.

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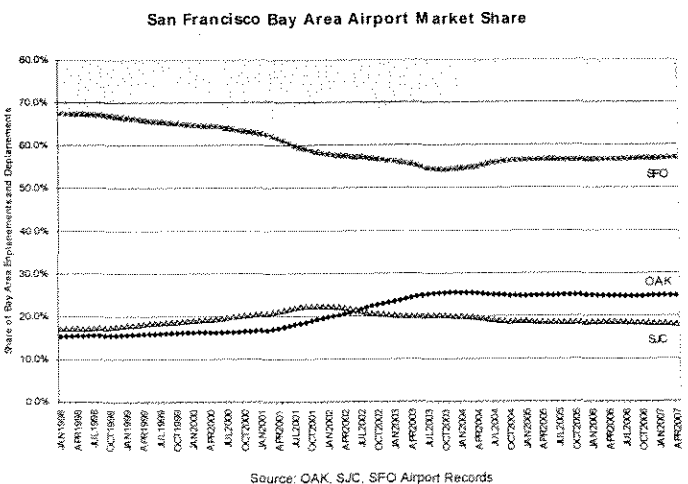
OAK's market share has grown along with East- and North-Bay populations....



Source: OAK, SJC, SFO Airport Records

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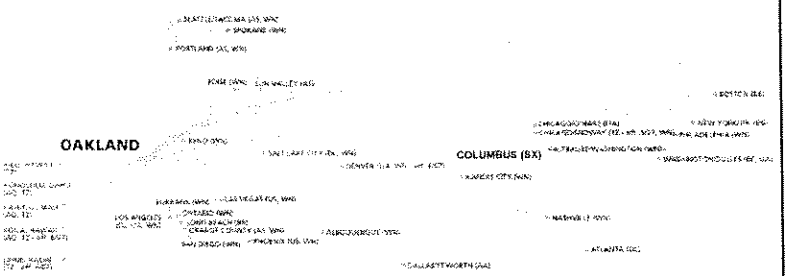
...but airline service growth will be constrained by lack of terminal capacity.



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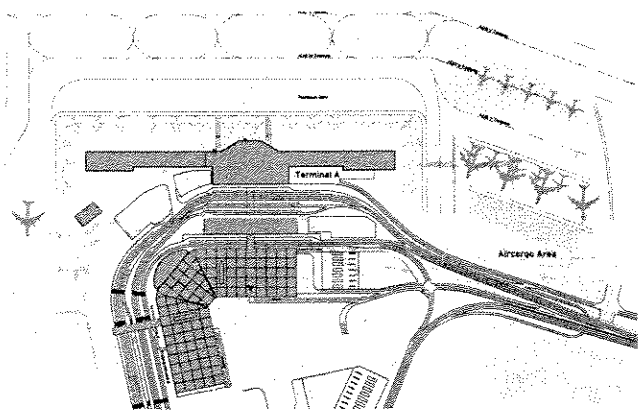
A CRITICAL DECISION: What can we afford to build?



Oaklandinternational

PORT OF OAKLAND

ITEM 3

REPORT BY THE CITY OF OAKLAND ON HEGENBERGER CORRIDOR BUSINESS DEVELOPMENT

Item 3
City/Port Liaison Committee
Regular Meeting
November 1, 2007

CITY OF OAKLAND
AGENDA REPORT

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: November 1, 2007

RE: **An Informational Report on the Status of Business Development Activities in the Hegenberger Road Corridor Area of the City of Oakland**

SUMMARY

This report provides an update on the status of business development activity within the Hegenberger Road corridor area of the City of Oakland.

FISCAL IMPACT

This is an informational report; as such fiscal impacts are not included.

BACKGROUND

Staff from the Community and Economic Development Agency (CEDA) have been asked to provide information on the current status of various business development activities in the Hegenberger Corridor area, extending roughly from the Coliseum BART station to the Oakland Airport. The following discussion focuses on current streetscape improvement projects, current and projected retail activity, including automotive dealerships, and the state of hotel capacity and expansion. This status report summarizes a few of the key points in these topic areas, and is not meant to be a comprehensive account of every type of ongoing business activity.

KEY ISSUES AND IMPACTS

Streetscape Improvements:

The City of Oakland and the Oakland Redevelopment Agency strategically fund streetscape improvement projects, which are designed to foster a climate conducive to economic development by abating blighted conditions and enhancing infrastructure in targeted areas. The efforts listed here largely abut areas targeted for retail and hotel development. Once underway, streetscape projects generate requests for façade and tenant improvement support, which the City works to facilitate. The Coliseum Redevelopment Area, which includes the Hegenberger Corridor, has been the site of a number of projects under the umbrella of the joint Airport Gateway Streetscape Projects. This list includes:

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- Hegenberger East, including landscaping, ornamental lighting, palm trees and banners. This project is in its final stages, with completion expected in December 2007.
- Coliseum Transit Hub, where the City, Redevelopment Agency and BART are jointly funding the first stage of infrastructure improvements for this emerging transit village, including pedestrian links and utility undergrounding. This phase, which lays the infrastructure groundwork for later Transit Hub development activity, is nearly complete.
- Doolittle Drive and Airport Access Road are projects undertaken jointly by the Cities of Oakland and San Leandro, the Port of Oakland, and the Alameda County Transit Authority. The Doolittle Drive effort is led by the City of San Leandro, with completion expected in February 2008, while the City of Oakland leads the Airport Access Road facet, with completion planned for December 2007.
- South Coliseum Way, from Hegenberger Road to the south entrance of the McAfee Coliseum, will include ornamental streetlights, decorative banners and trees. Project design began in July 2007 and construction is due to begin in 2008.
- Edes Avenue, from Hegenberger to 85th Avenue, will be the site of improvements which include landscaped sidewalks, ornamental streetlights, decorative banners and trees. Project design began in July 2007 and construction is due to begin in 2008.

Retail Development:

The Hegenberger Corridor has long been a target for retail development in the City of Oakland. Significant progress has been seen in recent years towards achieving this goal. Emerging retail developments in the area include:

- The Hegenberger Gateway Shopping Center continues to show brisk sales since its August 2005 opening. Anchored by Oakland's first Wal-Mart store, other tenants include Starbucks, In-N-Out Burger, and Electronics Boutique. City staff are working to recruit a family-style restaurant to the center.
- Plans continue for the development of the Coliseum Shopping Center at the former HomeBase site. Completion of construction of this 162,000 square foot retail site is projected for the end of 2009, and staff continue to facilitate discussions between the property owner and potential anchor tenants.
- Over the past several years a number of Automotive Dealerships have opened or expanded in this area, including Coliseum Lexus, Infiniti of Oakland, Suzuki of Oakland, and Bob Dron Harley-Davidson. Redevelopment Agency staff continue to work on other in-fill auto retail possibilities, including the potential relocation of Toyota of Alameda. In addition, the Redevelopment Agency has acquired a 3.63 acre parcel, facing I-880, which it is marketing to other potential dealerships.

Hotel Development:

The continuing expansion of the Oakland International Airport has created increased demand for hotel capacity, particularly for suite-style accommodations serving business travelers. To begin filling this need, 173 new rooms have either recently opened or are currently under construction. Twenty-six rooms were added during the recent expansion of the Holiday Inn Express on Airport Access Road, bringing its total inventory to 99 rooms, with a variety of new amenities for business guests. A new Holiday Inn, currently under construction on nearby Port of Oakland land on Hegenberger Road, will provide 147 new rooms.

City staff have identified other area sites which could be developed for lodging, including the recently purchased 500 Hegenberger Road site, and a designated Brownfields site next to the current Courtyard by Marriott hotel, among other potential locations which could serve the growing demand.

SUSTAINABLE OPPORTUNITIES

Economic: The projects described in this report could generate significant tax revenue, produce new jobs, and increase nearby land values by obviating blighted conditions and bringing business activity to currently vacant land and buildings.

Environmental: While the projects discussed in this report do not create direct environmental benefits, streetscape improvements promote a more beautiful urban landscape and help facilitate related goals such as litter abatement.

Social Equity: The projects described in this report would generate a range of jobs that are accessible to Oakland residents with a wide range of educational backgrounds.

DISABILITY AND SENIOR CITIZEN ACCESS

This report does not involve the approval of any specific projects or programs. Disability and senior access issues would be addressed when specific development plans are submitted to the City by a developer for review and approval.

RECOMMENDATION(S) AND RATIONALE

The City-Port Liaison Commission is being asked to provide input on business development approaches being considered for the Hegenberger Corridor area.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that the City-Port Liaison Committee accept this informational report.

Respectfully submitted,

Gregory D. Hunter, Deputy Director
Community and Economic Development Agency
Economic Development & Redevelopment

Prepared by:
James A. Bondi, Management Assistant
Director's Office

APPROVED AND FORWARDED TO THE
CITY-PORT LIAISON COMMITTEE:

Office of the City Administrator

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November 1, 2007

ITEM 4

OPEN FORUM

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