Transcript of discussion following Agenda Item 2.1 March 14, 2013 meeting of Board of Port Commissioners, Port of Oakland Joint Informational Presentation: "Bay Trail and the Port of Oakland" By Lee Huo, Bay Trail Planner, ABAG

And Bill Threlfall, Administrator, Oakland Measure DD Community Coalition

<u>Threlfall</u>: [ends 15-minute slide presentation] Are there any questions for me, Lee, or Lesley?

Commissioner Yee:

So, your last comment about funding and agreements, at least the last part, what's holding that up? There's no DD funds?

Threlfall:

The DD funds are available and allocated to the projects; that's not the issue.

Commissioner Yee:

So funding is not the issue.

Threlfall:

That's right.

Commissioner Yee:

It's just working out the agreements?

Threlfall:

I haven't been party to those discussions, so it might be better for Lesley Estes to comment on that.

Measure DD Program Manager Estes:

I'm a little new to the program. I just took over Measure DD a few months ago. My understanding is that there were discussions in the past with the past Program Manager, but it is just working out the case of the agreements with the Port to do these projects on the Port properties.

<u>Commercial Real Estate Director Kershaw</u>:

On the three sites: Crowley site, Embarcadero Cove, and Livingston Pier... For the Crowley site, the last correspondence I have, and I know Lesley is brand-new, so I am not trying to put you on the spot, so please don't take it that way, the City was getting the property appraised. Bill showed the alignment pretty accurately. I don't know where that is in the City appraisal process with Real Estate, but as soon as they have that ready we're ready on our end for a temporary easement to go to the City. The last correspondence I have is from February of last year, so it has been a long time, but Joel is gone now.

The other one is the Livingston Pier. We also had met with Diane Tannenwald, also February of last year, and had picked an alignment that worked best for the Port, which again was back at the City's court to get the easement documents drafted up which would have to be approved by the board as well, very similar to what we just did for the Embarcadero bridge where we grant them an easement based on legal descriptions and fair market value. So those are both awaiting those documents.

The third one, or your second one, is a little more complicated. That's Embarcadero Cove. The gaps which are because the Trail routes around certain buildings. Those sit within existing ground leases, so there's already a third party who's been there for a very long time, long-term ground leases and we can't impose our right to come in and make them do these improvements. We've asked the lessees if they're interested, and so far, they've declined over the years. So it's a little more complicated; we can't make them do an improvement for the City. So that's the reason the Embarcadero Cove is not improved. The Trail exists there; it is just not well-demarkated and signed.

<u>Commissioner Yee</u>:

It seems to make sense that they [the tenants] would like the improvements because it would benefit their property, so I'm just a little surprised that it has taken year – that it has sat for a year.

Commercial Real Estate Director Kershaw:

Well, Embarcadero Cove, honestly, they've never expressed an interest in doing that. Um... the other two, yeah, it's been a year. The last correspondence we have from the City was a year on that.

Threlfall:

But let's be clear: Measure DD is proposing the improvements to be at Measure DD's expense, not at the tenant's expense.

<u>Commercial Real Estate Director Kershaw</u>:

Right.

Commissioner Yee:

So it doesn't make sense why the tenants wouldn't want it.

Commercial Real Estate Director Kershaw:

I think it's just that they're not there – absentee lessees. They're not on the site every day, and it's one of those things where they're not necessarily interested in having more folks on their property. We're certainly willing to contact them again. I don't necessarily think there is going to be a huge different result, but we can certainly do that.

Commissioner Butner:

Yes, I would echo those comments. This is ridiculous for this to take so long, and so what I would suggest is that we do follow-up, particularly on the difficult one. The only one that seems to be difficult to me is the Embarcadero Cove, and that's more on our place that we have to convince the people that it is the right thing to do going forward. But the other two, it is just a matter of doing it. There shouldn't be anything stopping us from doing that, and so we should move post-haste and make sure we go in that particular direction.

Commission President Gonzales:

Other Commissioners? Executive Director?

Acting Executive Director Flint:

We'll follow-up as discussed.

Commission President Gonzales:

We thank you all: ABAG, Bill, the City, thank you for being here and making this presentation. I think as we go we should continue the conversation. I had been a while since we had new commissioners and we hadn't had a chance to see the progress, so thank you so much for being here.

Reference: pdf of presentation slides at http://waterfrontaction.org/dd/archive/Bay_Trail_Presentation_3-14-2013.pdf