MINUTES OF THE CITY COUNCIL OF THE CITY OF DUBLIN

SPECIAL MEETING – MAY 29, 2012

A special meeting of the Dublin City Council was held on, May 29, 2012, in the City Council Chambers of the Dublin Civic Center. The meeting was called to order at 6:35:02 PM p.m., by Mayor Sbranti.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

PRESENT: Councilmembers Biddle, Hart, Hildenbrand, Swalwell, and Mayor Sbranti
ABSENT: None

The pledge of allegiance to the flag was recited by the City Council, Staff and those present.

2. PUBLIC COMMENTS

No comments were made by any member of the public at this time.

3. DUBLIN CROSSING PROJECT STATUS UPDATE

Principal Planner Kristi Bascom presented the Staff Report and advised that Staff and SunCal Companies/Argent Management (SunCal) had been working on the development of a Draft Land Plan and an associated list of Agreement Points that together form a Proposed Project for the 190-acre Dublin Crossing project site. Staff committed, in previous discussions on the project, to return to the City Council at key points throughout the project review process to receive input on items of critical importance. SunCal's Proposed Project (Project) had several unique aspects, and Staff was seeking direction from the City Council on several of the project components so that work on processing the project could move forward successfully.

Cm. Swalwell asked what the acreage was for other elementary schools in the City. Ms. Bascom answered that they are sized in the 10 to14 acre range.

Cm. Swalwell asked if the $7.5 million Community Benefit payment is in addition to the $2.5 million Park Endowment. Ms. Bascom replied yes.

Cm. Swalwell asked if there was an option to pay the Community Benefit payment up front as opposed to breaking it up over phases. Ms. Bascom replied that an up-front payment was not part of SunCal's proposal; however they would be better suited to answer questions related to options for funding that payment.

Cm. Swalwell asked if the possibility of an up-front payment had been discussed with SunCal. Ms. Bascom replied that it was discussed, and SunCal was not amenable to an up-front payment during discussions.

Cm. Swalwell asked what the City liability would be in allowing a Community Facility District (CFD). Ms. Bascom replied that Sam Sperry of Meyers Nave would be better suited to answer that question.

Cm. Biddle asked what type of housing is being considered for the residential zoning of the Project. Ms. Bascom replied that there is a range of density from 8 units an acre to 20 units an acre. She stated that 20 units per acre are typically townhome type homes or garden apartments. She further stated that those are more or less on the project perimeter along Arnold Drive, Dublin Blvd., and the western side off Scarlett Drive. Ms. Bascom stated that 20 units an acre is the highest density shown on the Draft Land Plan. She stated that 8 units an acre is typically small lot, single family homes.

Cm. Biddle confirmed with Ms. Bascom that the development on the other side of Dublin Blvd. is all multi-family up to a certain point. Ms. Bascom stated that the Camellia Place and Elan products are much higher density than what is proposed for this Project. She clarified that those products are approximately 60 to 70 units an acre.

Cm. Biddle asked about the density for the corner parcel. Ms. Bascom replied she believes they are 14 to 15 units an acre.

Cm. Biddle confirmed with Ms. Bascom that land along Arnold Drive is still zoned as commercial. Ms. Bascom stated that everything along Arnold Drive, adjacent from the Project, is zoned business park/office/light industrial. She stated that Site 15-A is currently vacant but designated as commercial/office.

Cm. Biddle confirmed with Ms. Bascom that the Development Agreement (DA) for the Project is proposed to have a term of 15 to 20 years. Ms. Bascom stated that SunCal has requested a DA for a longer term.

Cm. Biddle stated that the plan for the Alameda County Surplus Property Authority (ACSPA) property is for the City to acquire the land and transfer title to SunCal. He asked why SunCal is not acquiring the property directly from the County. Ms. Bascom replied that, although there were discussions between the County and SunCal in regards to acquiring the property directly, the County's preference is to engage with the City in regards to selling the property. She stated that SunCal is proposing to provide $2.8 million towards the acquisition of the property and the City would make up the difference.

Vm. Hart asked what the difference would be. Assistant City Manager Christopher Foss replied fair market value.

Vm. Hart asked if there was any idea what the fair market value amount would be. Mr. Foss replied that the value would be determined at the time in which the City would need to acquire the property.

Vm. Hart asked if there was any idea what the fair market value amount would be if the City acquired the property today. Mr. Foss replied that the City does not have a sense at this point in time what it would cost today.

Mayor Sbranti asked if the amount would come out of the Public Facilities Fee. Mr. Foss replied yes but it is not included in the current five-year forecast.

Vm. Hart asked how it is in the agreement that the City would be required to have a joint use agreement with Dublin Unified School District (DUSD) and if an agreement doesn't happen, then the potential joint 3 acres of Community Park would revert back to DUSD. Ms. Bascom replied that it is the proposal from SunCal and they have set aside an 8 net-acre site solely for the use of DUSD, and a 28 net-acre park for the City, offering a total 36 net-acres for park/school uses. She further stated that DUSD has indicated that they would like to have 12 acres for their school site.

Ms. Bascom stated that SunCal's proposal is for the City and DUSD to work together because it would be mutually beneficial for the City to have a larger park that DUSD could use during limited times. She stated that the park would be built out by SunCal and would include a Maintenance Endowment to help maintain the area.

Cm. Biddle stated that the site plan indicates that, if the site is not used for a school site, it would revert to residential. Mayor Sbranti and Ms. Bascom clarified that the decision is ultimately up to City Council but that reverting to residential is SunCal's proposal.

Vm. Hart asked if the 2.5-acre pad set aside for Valley Children's Museum (VCM) has always been the plan. Ms. Bascom replied that, in 2006, the City Council did commit to, and provide direction back to the Army, that 2.5 acres of the 46-acre bonus park, could be set aside for VCM. She stated that, clearly, things have changed as the City is no longer looking at a 46-acre bonus park; however, the 2.5 acres for VCM was the last direction provided by the City Council so this is an opportunity to continue with that or look at alternative arrangements.

Vm. Hart confirmed with Ms. Bascom that the proposal is for SunCal to develop the pad for VCM in the Community Park.

City Manager Joni Pattillo stated that, when the matter of the VCM was first brought to City Council, there was no discussion about the size of the Community Park. Ms. Pattillo stated that the City Council was answering a question as far as the acreage associated with the VCM absent the current discussion. She stated that the idea is that there was still some consideration that there was going to be a bonus park of some significance and through months of negotiation, this is where the Project is at. Ms. Pattillo stated that the question that was posed at that time was based on a 46-acre bonus park.

Ms. Pattillo stated that, as it relates to the school site zoning, it is not unheard of, the idea that a school site is allocated in a development based on population. She stated that if it doesn't develop or DUSD does not act upon it, usually there is an underlying zoning for other housing. She further stated that this is not unheard of nor a new technique just for this Project.

Mayor Sbranti asked, in the event that DUSD did not move forward with the site and the site did become residential, if it would still fall under the 1,996 cap or would it be additional residential. Ms. Bascom replied that it would fall within the cap.

Vm. Hart asked if the City has looked at different kinds of programming for the Community Park. Ms. Bascom replied that there are currently two concept plans that were provided by SunCal. She stated that there has not been an analysis done or details looked at, but that the concept plans are meant to illustrate and convey that there are a couple ways to design the Community Park: sports field-heavy or more passive and special amenity-heavy.

Cm. Swalwell asked Sam Sperry, Meyers Nave, about the City's ultimate liability with the CFD. Mr. Sperry replied that, with respect to establishing the CFD and the cost and expense that go into it, it is the City's expense and the City can condition its willingness to endure the expense on having the developer deposit money with the City.

Cm. Swalwell asked Ms. Bascom what SunCal's position on depositing money with the City is. Ms. Bascom replied that it has not been discussed with SunCal at this point.

Mr. Sperry stated, in respect to debt service to bond holders, the City has no legal liability. He stated that the City's obligation is to make sure that each year the special tax is calculated on a per parcel basis and the information, with respect to that tax, gets transmitted to the County Auditor by that auditor's deadline for placement on the tax roll. He further stated that City would administer the money when it comes from the County to pay debt service on the bonds.

Mr. Sperry stated, with respect to when property owners become delinquent and the amount of those delinquencies go above a certain threshold, the City will have an obligation to engage in foreclosing a lien on the delinquent parcels.

Cm. Swalwell clarified with Mr. Sperry that there is no financial obligation to pay debt service on the bonds. Mr. Sperry stated that the City's obligation is limited to the proceeds of the special tax collected from property owners.

Vm. Hart asked if there is a way to carve around certain areas; for example, for purposes of tax, carving out residential areas versus commercial areas. Mr. Sperry replied yes stating that early on in the process, the City Council will approve a boundary map for the CFD and it is not a requirement that the property within that boundary be continuous. He stated that the City Council has a lot of flexibility in establishing the boundary.

Vm. Hart stated that the presentation indicated a 2% inflationary indicator maximum and asked if there were any possibility for that to go up. Mr. Sperry replied that the Mello-Roos Act

imposes that 2% escalator as a limit on any property in use for private residential purposes, clarifying that it is a maximum prescribed by law so it would not be able to go above 2%.

Vm. Hart asked what the 2% escalator is based on. Mr. Sperry replied that it is based on the amount of the tax for the prior year. Vm. Hart clarified with Mr. Sperry that if a tax is escalated at 2% per year for 35 years, it would result in a pretty substantial amount.

Mayor Sbranti asked how the infrastructure gets built in a phased project if the taxpayers don't pay the tax. Mr. Sperry replied, assuming the City would not have interest in spending its own resources to complete the phase, SunCal would have to make a decision as to how to proceed in completing the phase. He stated that most likely the phase would remain uncompleted until things recover, bonds can be sold, and then development could move forward. He further stated that is an unlikely recommendation for the City to sell the entire amount of bonds up front on a phased project.

Mayor Sbranti asked how a project gets developed when various merchant developers are involved. Mr. Sperry replied that the DA would state whether the rights and obligations of the developer, SunCal, can be assigned to a successor in interest. He stated that, assuming they can be assigned, a merchant developer who purchases property from SunCal is now obligated to pay the special tax. He further stated that, if the merchant developer builds a unit and sells it, a portion of the tax obligation now goes to the buyer of the unit.

Vm. Hart asked what the implications are if SunCal files Chapter 11 bankruptcy. Mr. Sperry replied that there is not one answer but there would be an automatic stay on any foreclosures or liens, including the City in regards to the special tax lien. He stated, presumably, if the bankruptcy extends long enough, the reserve fund for the bonds would go dry and bond holders would experience payment default.

Cm. Biddle stated that the City has never used the form of a CFD before. City Manager Pattillo replied that it has not been used before but has been identified in the Eastern Dublin Specific Plan. She stated that in the past there was a developer who was interested in a CFD and the City did proceed in an inquiry and disclosure process; however, the developer decided it would not work for them to pursue it with the City Council. She further stated that the City has had limited exposure to CFDs but it has been called out before.

Ms. Pattillo stated that, as mentioned by Mr. Sperry at the May 15th Study Session, CFDs are used in other communities. She stated that it is a new form for the City of Dublin but not a new product for financing for other communities.

Vm. Hart asked Principal Planner Bascom if the Community Benefit payment dollars would be able to go directly towards financing the infrastructure versus what SunCal is proposing. Ms. Bascom replied that SunCal would be better suited to answer that question.

Mayor Sbranti stated that, according the Draft Land Plan, the corner of Dublin Blvd. and Arnold Drive is zoned mixed-use and asked for clarification in regards to what could be expected for

mixed-use. Ms. Bascom replied that the 8.4-acre site is truly mixed-use with residential and commercial together.

Mayor Sbranti asked where the commercial center would be located or if one exists. Ms. Bascom replied that, if there is anywhere commercial would definitely be, it would be on that corner of Dublin Blvd. and Arnold Drive. She stated that there would be a minimum of 56,000 square feet of commercial up to 200,000 square feet throughout the Project as some of the areas are zoned residential with a commercial zoning overlay. She clarified that the areas zoned residential with a commercial overlay could end up being residential or commercial development depending on the market; however, the corner of Dublin Blvd. and Arnold Drive will definitely be mixed-use although a specific type of product has not yet been identified.

Mayor Sbranti stated that, in August, 2011, Council had expressed concern in regards to having housing along Arnold Drive. He asked Ms. Bascom what the discussion with SunCal was regarding that concern. Ms. Bascom replied that SunCal was present at the August, 2011 discussion and Staff expressed the Council's concerns in having residential along Arnold Drive. She stated that the Project is SunCal's current proposal.

Mayor Sbranti asked if the Neighborhood Squares are part of a City Master Plan or could they be combined into a larger park of 5 acres or more. Ms. Bascom stated that she doesn't believe there is a reason they couldn't be combined but that the idea was to spread the park acreage more uniformly throughout the Project.

Mayor Sbranti asked how many acres of the Community Park would be built in Phase 2. Ms. Bascom stated that SunCal would be better suited to answer that as some revisions have been made to the Draft Land Plan since the last time the phasing map was overlayed. She stated that revisions to the Phasing Plan are being considered as well but she does know that the building of the Community Park is primarily divided between Phase 2 and 4.

Mayor Sbranti asked if the NASA property is a done deal. Ms. Bascom replied that it is part of the project proposal but SunCal can speak in regards to the agreement with them.

Mayor Sbranti asked what the Inclusionary In-Lieu (In-Lieu) fee payment would look like as the amount of units is unknown. Ms. Bascom replied that the current proposal is that SunCal would identify the amount of units at the time the DA is executed. She stated that it could be that SunCal would build the inclusionary units in the project, but the proposal gives them the option to identify how many units they would like to fee out of.

Mayor Sbranti clarified with Ms. Bascom that the In-Lieu fee payment would be lower because SunCal would pay the entire amount within four years as opposed to paying it at the final map which can be several more years down the line.

Mayor Sbranti asked if the money paid for the In-Lieu fee would go into the Affordable Housing In-Lieu fund. Ms. Bascom replied that the idea is that the City Council would be able to identify how they would like to spend that Community Benefit.

Mayor Sbranti asked if the $7.5 Community Benefit payment that's proposed would be paid equally over each phase of the project. Ms. Bascom replied that it is not equally phased over the six proposed phases but would be executed at the time of the final tract maps for those individual phases.

Mayor Sbranti asked what methodology was used to come to the amount of $7.5 million for a Community Benefit payment. Ms. Bascom replied that it was an amount negotiated between the City and SunCal. City Manager Patillo clarified that in the past, Community Benefit payments have not been specifically tied to anything as it has been what the City has been able to successfully do as far as projects that exist in the community. Ms. Pattillo stated that part of the package deal is that SunCal is proposing to build the Community Park and turn it over to the City for ownership, as well as having a 15-year DA. She stated that there is no mathematical formula to reach the Community Benefit payment amount, but rather a blending of different things as trade-offs which have value.

Mayor Sbranti clarified with Ms. Bascom that a loose understanding would be that in exchange for not having the 9-acre designated civic and public/semi-public site, and having the 15-year DA, that is what resulted in the $7.5 million Community Benefit amount.

Mayor Sbranti asked how many acres VCM would have. Ms. Pattillo replied one acre. Ms. Bascom clarified that the one acre would include the infrastructure for the VCM.

With no more City Council questions of Staff, Mayor Sbranti asked the project applicant to make their comments.

Joe Guerra, SunCal, stated that SunCal has been working with Staff to meet the goals that the City Council expressed desire for in August, 2011. He stated that the proposed package is something that SunCal feels confident can get built and, if there are elements that the Council has concerns with or would like some things different, those can be discussed.

Mr. Guerra stated that Council was very clear that their desire was to have commercial along Arnold Drive because of the interface; however, SunCal does not feel that there is enough depth in the commercial market as, in order to make commercial feasible along Arnold Drive, upwards of 25 to 30 acres of commercial space would have to be built. He stated that SunCal and Staff have attempted to put the 20 units per acre townhomes along Arnold Drive which would enable Arnold Drive's elevation to consist of only a façade and no front doors, back doors or driveways.

Mr. Guerra stated that preliminary indications from the Traffic Engineer show that Arnold Drive would not have to be widened to four lanes as originally thought. He stated that the existing culvert would stay where it is and the curb line would stay at the edge of the culvert. He clarified that the culvert would be at the edge of the façades which have no front doors, back doors or driveways.

Mr. Guerra stated that, from the standpoint of attempting to buffer users, no one would want to put the park or school along Arnold Drive and SunCal does not believe there is enough commercial depth in the market to have commercial use there. He stated that SunCal is

proposing to designate the space as residential with a commercial overlay in the event that the commercial market does turn around.

Mayor Sbranti asked for clarification regarding the location of the culvert. Mr. Guerra stated that the culvert currently runs from the edge of the ACSPA's property all the way up and beyond the project site. He stated that all of the potential residential frontage, assuming Arnold Drive could remain as two lanes, would have buildings with façade, curb line and then the culvert that exists today.

Vm. Hart asked what the purpose is of leaving the culvert. Mr. Guerra replied that if left alone and not paved over, there are fewer environmental impacts and, furthermore, knowing that Council had a desire to have a protective interface, the culvert provides an additional buffer to anyone who is walking down Arnold Drive towards the BART Station.

Vm. Hart stated that he understands Mr. Guerra's point but believes it would look unattractive. Mr. Guerra stated that he believes if the culvert is left day lighted and not paved over, SunCal's ability to improve it so that it is aesthetically nicer than it is today will be very feasible. He stated that the Camp Parks Master Plan assumes Arnold Drive is a four lane road and assumes the culvert is paved over. He further stated that if SunCal is able to go back to the various environmental agencies and tell them that they want to keep the culvert day lighted and just do some landscaping improvements to make it more aesthetically pleasing, that will be an easier sell.

Vm. Hart stated that he believes this project will be a jewel for the City and he thinks that the culvert would be a sore thumb. Mr. Guerra stated that SunCal does not disagree with Vm. Hart's comment and it is a design feature that still needs to be figured out and can be revisited.

Mr. Guerra stated that regarding discussion of the In-Lieu fee and Community Benefit payment timing, from a package standpoint, whether it's the In-Lieu fee or Community Benefit payment that is getting paid at certain points in time, it really doesn't matter to SunCal and it is something for the Council to tell them what is more important for the City to receive sooner. He stated that SunCal can dedicate the land for the parks, build the parks, endow the Community Park with $2.5 million in cash, and give $7.5 million in a Community Benefit payment based upon when they get paid in the package presented. He further stated the SunCal is looking for direction from Council as far as what is more important to the City, when they want things and don't want things, and SunCal and Staff can figure out how to balance those things out.

Mr. Guerra stated that, in regards to the CFD questions, the $350 number that was the estimate for what the average household would be responsible for was calculated considering a maxed out CFD. He stated that when Staff asked SunCal for a ballpark, they gave Staff the highest possible scenario. He further stated that the size of the CFD at some level is going to be determined by the market and what makes sense for bondholders and homebuyers.

Mr. Guerra stated, in regards to the City and DUSD joint use and the VCM, from SunCal's perspective, if a joint use agreement can be reached between the City and DUSD, the school ends up with 11 useable acres during the school day but 3 of those acres don't have to be

bought, built or maintained by them. He stated that the VCM ends up with still needing to fundraise to build the building itself but they don't have to build the parking or grounds around it, nor do they have to maintain it.

Mr. Guerra stated, in regards to the phasing of the Community Park and when the acres come in, what the package suggests currently is that SunCal would be required to turnkey the Community Park acres in the same ratio of the units that are being built. He clarified that, for the sake of simple math, 28 acres divided up over five or six phases would require that five or six acres per phase get built. He further clarified that, considering the simple math, a rough estimate would provide that when Phase 1 is built, SunCal would have to deliver five acres of Community Park with Phase 1.

Vm. Hart asked what that would look like and how a 28-acre park gets built 5 acres at a time. Mr. Guerra replied that there would have to be a Master Plan that actually has the amenities laid out to correspond with how the Project will be built.

Vm. Hart asked if it would cost SunCal more to do it that way. Mr. Guerra replied yes, when considering raw dollars.

Mr. Guerra stated that there are two realities in regards to the phasing of the Park: having a project that can be built, and how much land can SunCal get from the Army and when can they get it. He stated that there will not be enough revenue in the first phase of private development to pay for the entire build out of the Park. He further stated that the Army decided what buildings they wanted built and in what order.

Mr. Guerra stated that the exchange agreement between SunCal and the Army states that SunCal can move the lines of the phases to accommodate private development; however, they cannot change the size. He clarified that any movement of phasing lines would not be presented to the Army until the SunCal developed a map that the City was comfortable with. He stated that SunCal would have to figure out how to ensure that the respective Community Park acres get built over each phase and that may require that two phases get built at once or that the phasing lines be amended with the Army. He further stated that SunCal is proposing that they be required to build out the Community Park with each phase in some sort of commensurate fashion.

Mr. Guerra stated, in regards to the NASA parcel, the Army and NASA parcels were offered for sale together and SunCal is not yet under contract with NASA. He stated that, if SunCal purchases the property from NASA, the money would go straight to the federal treasury and not to NASA. He stated that there is a discussion going on currently between NASA and the Army because the Army gave the property to NASA for free decades ago. He further stated that NASA and the Army are exploring the possibility of a no-fee transfer back to the Army so that the purchase could become part of the exchange agreement between SunCal and the Army, and the money SunCal would pay to purchase the property would expand what is getting built on the base.

Mr. Guerra clarified that there is no question that the NASA property has to be transferred; it is just a matter of how it will be transferred.

Mr. Guerra stated that, although SunCal believes the Project will be a great addition to the City, the Project also brings a lot of benefits to the Army base. He stated that, because of the way the exchange agreement was structured, the money that SunCal pays to the exchange partner is going to be spent on the base which generates tens of millions of dollars in construction jobs in Dublin and, in the long-term, makes Camp Parks a stronger base.

Vm. Hart asked why the amount of money that would be paid from the Community Benefit payment, Endowment and In-Lieu fees can't be applied directly to the building of the infrastructure, leaving less of a need for a CFD. Mr. Guerra replied that the CFD is being proposed to pay for costs for the development proposed. He stated that as proposals are dismissed, the CFD does become less necessary; however the magnitude of dollars does not wipe out the need completely.

Vm. Hart asked if SunCal needs the CFD to build the project. Mr. Guerra replied yes.

Vm. Hart asked what would happen if the Council decided against the CFD. Mr. Guerra stated that SunCal would have to go back to the drawing board with Staff and figure out the Land Plan implications. He stated that he does not believe that SunCal could get enough out of Land Plan adjustments to stop them from not having to go back to the Army and renegotiate. He clarified that, at some point, the Army doesn't have to renegotiate if they don't want to.

Vm. Hart asked if there are options that SunCal has looked at on the Army's side. Mr. Guerra stated that the original proposal for the project involved only four projects for the Army and SunCal was able to expand the proposal to include six projects. He stated that, because of the way the exchange agreement was authorized, the Army does not feel that they can expand the proposal any more.

Cm. Biddle stated that there was mention of a water retention requirement and asked if there is knowledge of that requiring an Environmental Impact Report (EIR). Mr. Guerra replied that SunCal is not knowledgeable of the complete parameters. He stated that the proposed Community Park plans identify two to four acres of land mass for water retention areas.

Mr. Guerra stated that SunCal's Landscape Architect has suggested that Chabot Canal run down from the north end of the Project to Scarlett Drive and having a series of small detention/retention ponds with a trail through it to make it more aesthetically pleasing. He stated that part of what SunCal is still working through is the engineering of that concept but in an absolute worst case scenario, maybe five acres would be dedicated for water retention depending on how deep the holdings would be. He further stated that there have been conversations with Dublin San Ramon Services District about that concept and they are comfortable with joint use facilities.

Cm. Biddle asked of the possibility of the culvert on Arnold Drive being tied in with the Chabot Canal. Mr. Guerra stated that they are all coming off the same watershed, on the north end of

the Base. He stated that at some point you can only do so much realigning of water. He further stated that there are choke points along Dublin Blvd. and under I-580 where only so much water can go through at one time.

Cm. Biddle clarified with Mr. Guerra that some of the designated Community Park land would have to be designated for water retention. Mr. Guerra stated that at one point a smaller park was proposed; however, one of the suggestions in trying to make the park bigger was that it could also serve some water retention needs.

Cm. Biddle stated that he liked the central road through the Project and confirmed with Mr. Guerra that the way the central road is laid out, it cuts through a number of different phases so there's no way to build the road in one piece; it would have to wait until the final phase that it touches is complete. Mr. Guerra stated that the current phasing map is a year and three months old from when SunCal signed the exchange agreement versus what will actually have to be worked through now. He stated that the current Department of Public Works Maintenance Facilities/Warehousing is the last project that the Army wants SunCal to build so that area has to be in the last phase.

Mr. Guerra clarified that one of the drivers of the phasing is the Army because they were clear in stating that it would be unacceptable for them to ever have an island of the Base that isn't contiguous that they can get to, back and forth. He stated that they cannot be cut off by SunCal building a road all the way east to west and have anything south of it still be on the Base.

Cm. Biddle confirmed with Mr. Guerra that the same would go for the completion of Central Parkway: it would get built as the phase comes. Mr. Guerra stated that the City will not allow a final plan where each phase does not work by itself. He clarified that SunCal will have to ensure that each phase is self-sufficient, or mutually sufficient as you add on to them, no differently than the project being completely built all at one time.

Cm. Biddle confirmed with Mr. Guerra that the central road touches the NASA parcel. Mr. Guerra stated that SunCal has always assumed that the NASA parcel would be in no later than Phase 4 so that connecting to Scarlett Drive, assuming nothing changes dramatically, would be around Phase 4 timing. He further stated that the exchange agreement requires SunCal to acquire the NASA parcel no later than Phase 4.

Cm. Biddle asked what the schedule is for the Army's Project 1. Mr. Guerra replied that the exchange agreement requires SunCal to begin construction on the new gate in March, 2013 and SunCal is on schedule for that. He stated that the new gate will be connecting with the new intersection at South Mariposa so the new access control point for the Base will come in off of Dougherty Road.

Cm. Biddle stated that the proposed school site is proposed for Phase 4 and asked if DUSD has identified a schedule or need. Mr. Guerra replied that, until SunCal can decide when they are moving forward with the Project, it is hard for DUSD to set a schedule. He stated that SunCal will continue to work with DUSD to make sure what they need is available when necessary.

Cm. Biddle asked if there are other areas that need to be included in the DA. Mr. Guerra stated that SunCal assumes that the DA would include everything that has been discussed. He stated that SunCal would not want to commit to paying or building something up front and, five or six years from now, have a future City Council not allow the rest of the Project. He clarified that the timing and complexity of working through and building all the projects for the Army make it a potentially longer build out than a normal project.

Cm. Biddle asked if a DA could be made without the commitment to a CFD at this time. Mr. Guerra stated that SunCal is not asking for approval of a DA right now but what is being proposed is a package. He clarified that, if the DA does not have a CFD in it, the rest of the package doesn't work. He stated that the item before the City Council right now is not approving a CFD, but recognizing that it is part of the package and that in order to receive the other things that SunCal believes are extra benefits of development, a CFD would need to be included.

Cm. Swalwell confirmed with Mr. Guerra that, tonight, the Council needs to vote whether or not to study it and if the vote is to not study the CFD, SunCal returns to the drawing board. Mr. Guerra stated that tonight is not anywhere near the final vote from the standpoint of the Council saying yes on a CFD. He stated that SunCal does not yet have the ability to tell the Council how big the CFD is so they are not being asked to actually approve it yet.

Cm. Biddle stated that one of the options for the VCM was 15,000 square feet, although VCM is requesting 40,000 to 50,000 square feet. Mr. Guerra stated that the original sizing was based on information received several months ago based on studies that they had done years ago regarding the size of the facility. He stated that, when SunCal spoke with several members of the VCM board several weeks ago, it was suggested that 15,000 square feet was too small and the building would need to be bigger. He clarified that the Community Park plan notes 15,000 square feet to give a sense of how large the building is but then it says under it "plus expansion area" so as not to mislead anyone. He stated that previously the Council had said yes to a 2.5-acre number and SunCal is proposing a very different solution which is to not carve out a site where the VCM has to figure out how to build the whole thing, but let SunCal build everything out with joint use parking and grounds, and leave a pad for a building.

City Manager Pattillo stated that she wanted to clarify the idea of the Park Endowment. She stated the idea is that the $2.5 million Park Endowment is given over a period of time. She further stated that how Endowments work is by taking the interest earned to offset operating costs. Ms. Pattillo stated that there was a statement made as it related to the VCM and clarified that the Endowment does not include anything as it relates to the maintenance of that building which is a totally separate cost.

Ms. Pattillo clarified that the Endowment does not take care of all the costs associated with maintaining the entire acreage. She stated there have been discussions in regards to amenities being added and, as they are added, the City must be concerned with maintaining them to the level that citizens have become accustomed to.

Vm. Hart asked if the soil has been tested for toxins. Mr. Guerra replied yes, on the topic of hazardous materials and toxins on the exchange parcel. He stated that the current state of any hazardous materials is that everything has been tested and Hazardous Material/Environmental Condition of Property Reports have been done for what is equivalent to Phase 1 and Phase 2.

Mr. Guerra stated that SunCal does have a No Further Action letter from the State Department of Toxic Substance Control and what that letter says is the entirety of the site has no restrictions on it for any uses, with an exception for a very small site on the east and a very small site on the west. He clarified that, for the east site, the Army has already finished their mitigation and it currently has a land use restriction that says you can only have industrial/commercial uses, not residential; however, it was a type of hazardous material that was a soil excavation and replacement (with clean soil). He stated that the Army dug down to the industrial/commercial standard and didn't dig down the extra feet it would take for residential so it is SunCal's intent to go in before title of the property is even transferred, dig down the further amount for residential standards and get that cleared.

Mr. Guerra stated that the west site has not been mitigated by the Army yet as they were waiting for this year's rain to conclude. He stated that for this site, it is another excavate, take out the dirt, and use the clean soil to refill it; however, the Army is only required to dig down to commercial/industrial standards. He further stated that SunCal is working with the Army to figure out if the Army can leave the excavated site unfilled so SunCal can go in and dig down to residential standards, and then fill it.

Mr. Guerra clarified that SunCal has been working with state regulators on this issue and they have advised SunCal in writing that the two sites that currently have restrictions will have no restrictions when the excavations and refills are done so the entirety of the site will have no hazardous material deed restrictions on them.

Vm. Hart asked if the site is free and clear of any environmental issues. Mr. Guerra replied that biological surveys were done when the Army did their EIR but SunCal has had their biological consultants, Fish and Wildlife Agency, and the Army Corps of Engineer out on the site so all surveys have been done. He stated that there are Burrowing Owls which are considered a relocatable species. He further stated that there was a Red-Legged Frog siting within a mile radius; however, SunCal's biological consultant and the Fish and Wildlife Agency were not concerned with someone calling for additional mitigation.

Vm. Hart asked what the north line separation between the Project and the rest of the Base will look like. Mr. Guerra replied that the existing 5th Street on the Base stays on the Base and what will be adjacent to the Project is Base housing and some military buildings. He stated that there will be a CMU wall along the Project's property line and SunCal has the ability, under the exchange agreement, to build along the property line. He stated that, once the housing is built, it won't feel any differently than being next to any other commercial or residential user.

Mayor Sbranti asked about the amount of the Community Park along the frontage of Dublin Blvd. Mr. Guerra confirmed with Principal Planner Bascom that it measures about 300 feet.

Mayor Sbranti asked Mr. Guerra how SunCal feels the Draft Land Plan unifies the City. Mr. Guerra replied that the goal, at the end of the Project, is if someone is driving down Dublin Blvd., they should have no sense of east and west Dublin. He stated that a big part of it is how the Project fits into the community and a lot of that will be dealt with in design standards and guidelines later down the road. He further stated that he knows one concern is ensuring there is no tunnel effect driving down Dublin Blvd. as there is relatively high density adjacent to the Project. He stated that part of what SunCal has attempted to do is not go too strong with tall buildings along Dublin Blvd. to avoid that tunnel effect.

Mr. Guerra stated that the Project will be a very visible thing for the City when people drive by and through the Project and it is important to ensure that it seamlessly fits into the community and connects what is now known as east and west Dublin.

Mayor Sbranti asked about the ultimate vision for the commercial piece that will serve the Project. Mr. Guerra referred to the Waterford Shopping Center to give an idea of magnitude, stating that Waterford Shopping Center is 11 acres and SunCal's project is proposing 8.4 to 8.9 acres of commercial. He stated that the worst case configuration would be slightly smaller than Waterford Shopping Center and would be like a neighborhood-serving retail center. He further stated that the commercial overlays do allow for commercial expansion if the need is there.

Ed Duarte, Valley Children's Museum, spoke in favor of the Project and thanked the Council and Staff for their work on the Project. He stated that the VCM wanted to take this opportunity to go on record and express their position in support of what SunCal and Staff have recommended. He further stated that the VCM is requesting the Council to provide direction to Staff to allow a pad of 40,000 square feet which would enable an ultimate build out of a building up to 50,000 square feet.

Mr. Duarte stated that the size request is based on studies which show that traditionally for children's museums, facilities of 25,000 to 65,000 square feet are inherently the most successful. He stated that, to give an idea of size, the current Discovery Museum in San Jose is sized at 52,000 square feet.

Vm. Hart asked Mr. Duarte if 2.5 acres is the amount that the VCM feels they need. Mr. Duarte replied that the initial analysis showed that 2.5 acres would have been the total required for a 50,000 square-foot facility, parking and amenities, assuming the VCM would be responsible for developing it.

Cm. Biddle stated that he thought the discussions between SunCal and the VCM were beyond the points of talking about acreage and talking about a prepared site, and asked if the discussions are about acreage or a pad to put a building on. Mr. Duarte replied that they are discussing a pad to put a building on.

Mayor Sbranti clarified with Mr. Duarte that the VCM desires the pad with all the utilities built to it and, if the financing was available for VCM to build the pad and maintain it, then that is what they would do.

Cm. Biddle asked what a facility of 40,000 to 50,000 square feet would cost. Mr. Duarte replied that, depending on the final architectural and design requirements, it could run anywhere from $5 million to $10 million.

Cm. Biddle asked if funding support would come from other cities and non-profits. Mr. Duarte replied that the capital campaign would be entirely up to the VCM to raise money through public and private fundraising.

Cm. Biddle confirmed with Mr. Duarte that the VCM would not be a City facility but non-profit and self-supporting.

Mayor Sbranti asked Assistant City Manager Foss if the land belongs to the City or the VCM. Mr. Foss replied that the assumption is that the building belongs to the VCM and the land belongs to the City, however, those things are subject to negotiation at this point.

Mayor Sbranti asked what would happen to the facility should it get built and then be vacated. Mr. Foss replied that, at this point, Staff has not thought about those situations as they are looking for direction on what the Council would like to do with the site and with the VCM.

Mayor Sbranti stated that the 1-acre pad would be built as part of the Community Park and when VCM had the money, they would build the actual facility. Mr. Foss stated that he believes Staff's assumption would be that the pad would be turfed and at the time that there were revenues available from the VCM, the facility would be built by them.

Mr. Foss stated that in utility discussions with Parks and Community Services (PCS) Director Paul McCreary, they discussed stubbing the site so that all of the water meters and utilities that go with the building would be part of the project cost for VCM and not just left on the site, ready to build.

City Manager Pattillo stated that, if the Council decides to move forward, especially with the VCM, knowing the timing of the project is important. She stated that if moving forward, like with a lot of other arrangements, there is usually an end time but if the VCM doesn't have their financing in place, those are the things Staff needs direction on.

Ms. Pattillo stated that the idea is that it is not just an open-ended discussion and further clarification on that is greatly appreciated.

Dr. Steve Hanke, Dublin Unified School District, spoke in favor of the Project and thanked Staff for their work on the Project. He stated that DUSD is requesting a school site in the development and the reason they are asking for 12 acres is because it is a California Department of Education guideline and it is a recommendation that, as the schools get larger, there be more space for the students.

Dr. Hanke stated that Dublin schools are becoming quite large, with some in excess of 700 students, and DUSD is currently in a design phase now for a school that will hold close to 900 students when it is completed.

Dr. Hanke stated that DUSD believes that the school site is not only a great location within the Project but also within the City. He stated that DUSD believes that there is a unique potential for a joint use program and that there is a history of successful joint use programs between DUSD and the City.

Dr. Hanke stated that a main priority for DUSD is that they can ensure the safety of their students. He stated that one of the challenges of the school site is the potential of it being a park site and the question as to whether or not a fence or some barrier would be put up to separate the two areas. He further stated that DUSD is particularly concerned about the water retention areas as a potential for attraction to students and that is something they feel would need to be looked at very carefully.

Dr. Hanke stated that DUSD feels the Park Endowment would be a significant benefit to DUSD and would like to engage in further conversations with the City and, at the right time, the school board to engage in this as a potential project that might really work out for both parties.

Vm. Hart stated that the area around the school would potentially be developed until the school district was ready to build on the site. He asked Dr. Hanke how DUSD would afford to build the school. Dr. Hanke replied that it would be funded through DUSD's collection of developer fees and also state dollars coming through and mitigating the actual increase in size of their needs.

Vm. Hart asked if Dr. Hanke is saying that DUSD would build it at roughly the same time that the surrounding area would be developed. Dr. Hanke replied that DUSD would build the school as the need comes to place. He stated that that particular community would not be the only community that would be served by that school as there would be one or two other areas that DUSD has been looking at in their Master Plan to serve in the school as well.

Vm. Hart asked if there has been any consideration for a combined district office with the school, now that most of the Dublin schools are centrally located and the district office is more to the west. Dr. Hanke replied that there has been minor discussion regarding potential but nothing serious at this point in time.

Vm. Hart asked if there has been any consideration to sell the current district office to pay for some of the development of the new school and/or district office. Dr. Hanke replied that it is something he has thought of and had conversations with staff but has not had conversations with the school board.

City Manager Pattillo clarified with Dr. Hanke that part of the Park Endowment is that the 3 additional acres would be usable by the City. Dr. Hanke stated that DUSD's request for maintenance would be that the 3 acres is part of the Community Park and the City determines that they would maintain that.

Cm. Biddle stated that DUSD is not considering a developer-built school, but more interested in a school site and DUSD pays for the school later on with fees. Dr. Hanke stated that is the plan at this particular point. He stated that DUSD has done a developer-built school and lease- back

options have been more successful. He further stated that at this particular point in time, although they have not made a decision and the board has not had a serious conversation about that part, it is something that DUSD believes would be best if it is not a developer-built school.

Cm. Biddle asked if DUSD is envisioning about a 900-student elementary school. Dr. Hanke replied that is the standard that DUSD is moving towards across the school district. He stated that there are currently three elementary schools which are in excess of 700 students and there are several with over 600 students. He further stated that the next school in line, which is yet to be named in the Positano development, is going to be designed for 900 students.

Cm. Biddle clarified with Dr. Hanke that, because the Project could build out over 15 to 20 years, DUSD does not have a timeslot for the school yet. Dr. Hanke replied that DUSD knows they are growing at approximately 5% per year with over 400 students this year and an expectation of over 400 students next year. He stated that DUSD schools are growing half a school per year now and those issues need to be mitigated as soon as possible; however, he cannot speculate as to when DUSD would need this particular school although it is his understanding that it would be a number of years out before it would be available.

Mayor Sbranti called a short recess.

Mayor Sbranti called the meeting back to order at 9:07:59 PM.

Principal Planner Bascom stated that she has no further comments or presentations and Council direction is being sought for the following:

Q1: Is the Draft Land Plan generally acceptable?
Q2: Is the City Council comfortable with the tradeoffs identified?
Q3: Is the Community Park "package" acceptable?
Q4: Should the City discuss joint use opportunities with the School District for some portion of acreage within the Community Park?
Q5: Based on the Community Park size, does the City Council want to revisit the previous direction to provide 2.5 acres for the VCM?
Q6: Does the City Council consider a CFD an acceptable financing tool for future development on the project site and does the City Council authorize future study on the formation of a CFD?
Q7: What is the City Council feedback on the Conceptual Community Park plans?

Cm. Swalwell asked for clarification as to when the CFD would be discussed. Ms. Bascom replied Q6. Cm. Swalwell asked if Q6 could be discussed first as Q1-5 become irrelevant should the Council decide to not move forward in studying a CFD.

Council agreed to discuss Q6 (Does the City Council consider a CFD an acceptable financing tool for future development on the project site and does the City Council authorize future study on the formation of a CFD?) first.

Cm. Swalwell stated that a CFD is something that would be new for the City of Dublin and there is a lot to be learned but the Council's job as decision makers is to study projects. He stated that this Project is a large project and it is connecting the older part of Dublin to the newer part of Dublin so the Council needs to move slow and make sure that they study this. He stated tha,t in these changing times, one thing Dublin has done is shown flexibility and never said no to something only because it hasn't been done before. He further stated that he is, at this point, in favor of going forward, hiring a consultant and studying a CFD to see what the benefits would be and see if this is what is going to be needed to move this important development forward.

Cm. Hildenbrand agreed with Cm. Swalwell stating that Dublin has allowed for studies in multiple different projects simply to understand better what it would entail in order to get developments moving. She stated that the City has seen many projects stymied because of the economy right now which is really unfortunate and the City does not want to see this happen and continue to be this undeveloped land in the middle of our community. She stated that as long as the land stays undeveloped, the City will always have this conceptual divide in the community. She stated that it is a study and believes good information will come from it and whether it comes back in six months or a year, the decision will be made by this Council and anyone else joining it. She stated that she doesn't believe the Council should not look at it just because Dublin has never done it before.

Cm. Biddle stated that he doesn't mind the study but, at this point, he would say not at this time. He stated that what has made Dublin successful is the pay-as-you-go concept with development and Dublin has never had to use a CFD before. He stated that it is a desirable area for developers to build in but he does not like the concept of creating a two-tiered tax system. He stated that he does not mind studying it but it should be studied in the same manner that the City does everything else as in a developer-paid study and not a City study.

Vm. Hart stated that he views it as a tax to the specific area and he is not in favor of putting that kind of liability on people that live in the City to that degree. He stated that he thinks if we've gone this far from the development, he would like to see the development continue but he is not in favor of moving forward on the CFD. He stated that he is not going to be supportive of having a Mello-Roos tax in Dublin and, right now, is not willing to designate that area for an increased tax system as he believes it will be problematic. He stated that he agrees with Cm. Biddle in that the development should be financed by the developer like all other projects in the City. He reiterated that he is not willing to put that tax liability on future citizens of Dublin and will not ever be in favor of a Mello-Roos tax.

Vm. Hart stated that he is certainly interested in the development and what the potential is, and wants to continue to discuss other ways of potential funding but he does think it would be fair at this point in time to put that responsibility back on future residents.

Mayor Sbranti agreed that he has major concerns about the CFD and thinks that it does have an impact for people beyond just this development. He stated that he also has concerns regarding what happens if the developer goes bankrupt. He stated that, if the developer is going to pay for the study, he is interested in at least taking a look at it to understand if it is in the City's best

interest or not. He stated that he wanted to be up front with his concerns regarding this form of financing as he generally does not like it.

Mayor Sbranti stated that he is willing to at least take a look at studying the CFD because as Cm. Swalwell stated, just because we haven't done something before doesn't mean we shouldn't take a look at it; however, the fact that we haven't done it before and have had success with the way we've done things, he feels more comfortable with the way the City has done things. He reiterated that he is willing to at least consider studying the CFD.

Cm. Biddle stated that one thing that makes him uncomfortable at this time is the timing as the May 15th presentation cautioned not to move too quickly. He stated that this is too quick as SunCal doesn't own any land yet, hasn't started work on the Army projects yet, and there has not been an EIR done. He stated that until other things move along a little further, he believes the City is too premature.

Vm. Hart stated that he believes once the City goes down the road of a CFD, that is going to be the road that is more likely to be taken in the future for development and other options will not be considered. He stated that he believes putting the tax liability of $4,000 a year plus 2% increments annually is way too much for the property owners and then with the two-tier tax system, it is problematic for the surrounding area as well. He stated that he does not believe it is a good practice to be in.

Mayor Sbranti asked Staff if, in addition to studying the CFD, traditional financing models would also be looked at and how that would play out in terms of what is being proposed.

City Manager Pattillo replied that she knows Staff is bringing back a recommendation to hire a consultant to do a fiscal study. She stated that, as far as comparing the standard, Staff would look at the CFD as far as that is what SunCal would be paying for, not looking at other strategies, as they are looking for the next steps as far as CFD creation. She stated that as far as other financing tools, it has been a pay-as-you-go method as SunCal has been paying out of pocket, getting institutional investors.

Ms. Pattillo stated that she is hearing a mix: one definite, no matter what information comes back from the exploratory next steps, it's a no; but the rest of the Council is willing to take a look at it; and restated Q6 (Does the City Council consider a CFD an acceptable financing tool for future development on the project site and does the City Council authorize future study on the formation of a CFD).

Vm. Hart asked if the authorization part of Q6 means that the Council would authorize the potential cost for the study. Ms. Pattillo replied that SunCal would pick up the cost for the study.

Ms. Bascom clarified that the next step would be to have a consultant advise Staff on the CFD as well as getting some additional questions answered about the size of the potential CFD and the exact things to be included in it like cost estimates, timing, schedule, etc. She stated that authorization of the future study on the formation of a CFD would be going to the next level in terms of providing the Council some additional information and details to be able to assess

whether a CFD is going to work here. She stated that Staff will have advice from the consultant and SunCal will be able to provide some additional information as well.

Vm. Hart stated that the Project should be borne by the developer entirely, not on the taxpayers of the City of Dublin. Ms. Pattillo followed up stating as far as studying the potential formation. Vm. Hart replied everything.

Cm. Hildenbrand confirmed with Vm. Hart that, regardless, he does not support the Mello-Roos tax for Dublin.

Cm. Biddle stated that he is about 85% against it but does not want to close off the other 15% because maybe something will turn up that would make it feasible. He stated that he is not, at this point, ready to say never but one thing of concern is that if the City starts a CFD, every future development that the City has coming down the pipeline will start with this concept and it is not the way Dublin has been successful. He stated that Dublin has always had a pay-as-you-go philosophy and it has worked very well. He stated that, even when the economy had a downturn, Dublin was not in the same situation that many other cities were in and were still able to get projects built.

Cm. Hildenbrand disagreed with Cm. Biddle's comment stating that Dublin got residential units built but it is still very difficult to get any commercial or retail developed. She stated that we have huge parcels of land and people who are incredibly unhappy because they bought a house to live a near a promenade, shopping center or park and those can't get built until the money is coming in. She reiterated that, yes, the City is seeing residential and even some schools get built and/or completed but the City is not seeing the full package.

Cm. Biddle stated that the Project is considering almost the elimination of commercial.

Cm. Swalwell stated that he believes there is resolution that four Councilmembers want to study it. Vm. Hart replied that is not what he believes. Cm. Biddle stated that he does not want to see the project come to a total halt just because of the CFD study. He stated that one thing that makes him uncomfortable about the whole process is that there is so much to do such as the EIR. He stated that there are a lot of ifs such as DUSD and water retention and to start talking about the CFD now is too early. He stated that, if some of the questions could be answered, he would feel much more comfortable.

Cm. Swalwell agreed stating that the concerns presented would behoove SunCal to start looking at what happens if the CFD does not pan out.

City Manager Pattillo stated, in regards to Vm. Hart's comments on carving out industrial versus residential areas for the CFD boundary, that the City of Livermore operates many CFDs in their commercial areas. She asked Vm. Hart if that is something he would like to take a look at and stated that she wants to ensure that all thoughts are captured, moving forward. She stated that she wants to be fair in stating that this has been pivotal, at least to SunCal, to move this project forward and the discussion is regarding the entire package.

Ms. Pattillo stated that there will be a lot of discussions that ensue after this so if the idea is to study what the potential implications are and what it's going to be sized, those are all the things that Staff would be able to bring back to Council, a decision would have to be made, then the Project may be different.

Vm. Hart stated that he was originally thinking about the aspect of carving out areas; however, it is still a tax liability that the City would be putting off to the residents and he is not comfortable with that. He stated that the Project should be borne by the developer like every other development in the City for the last 25-30 years.

Mayor Sbranti stated that he shares all of the Councilmembers concerns and confirmed that four of the Councilmembers would authorize the study and one would not.

Principal Planner Bascom moved on to Question 1 (Is the Draft Land Plan generally acceptable?) and asked for any comments.

Cm. Biddle stated that he generally liked the Draft Land Plan and appreciates the major road that goes through the Project and the general road network. He stated that the mix of housing is what the City is looking for, but what troubles him is the fact that the Project is abandoning commercial altogether. He stated that, the way the plan is put together, it says commercial allowable and he would rather go the other way and say residential allowable, plan it for the 200,000 square feet of commercial, and allow the option of residential.

Cm. Biddle stated that this Project is looking at 15-20 years and, although residential is the thing now, it may not be that way then. He stated that the other thing he would feel more comfortable with is the school site, if a school is not built, reverting to park designation since another concern is the size of the Community Park.

Cm. Biddle stated that, considering the fact that the two smaller Neighborhood Parks are considerably closer to a larger park, he would like to learn the pros and cons of combining one or both of the Neighborhood Parks into a larger park per the Parks Master Plan.

Ms. Bascom asked for more clarification regarding combining the Neighborhood Parks. Cm. Biddle stated that one suggestion could be combining both Neighborhood Parks into one Neighborhood Park and another idea could be no Neighborhood Parks or only one Neighborhood Park and larger Community Park.

PCS Director Paul McCreary stated that the Parks Master Plan is based on having 3.5 acres per thousand of community park land and 1.5 acres per thousand of neighborhood park land. He stated that the City would want to continue to have some type of Neighborhood Park in the Project to really serve the local needs of the residents such as gathering, social space, and playgrounds. He stated that the City tries not to put active sports uses into the Neighborhood Parks because they serve more of a community need and the City wants to have certain areas that will really serve just the neighborhood itself.

Cm. Biddle confirmed with Mr. McCreary that, even though one of the Neighborhood Parks is only about one block away from the Community Park, the City would still want to keep the Neighborhood Park. Mr. McCreary stated what would be better is to combine the two Neighborhood Parks and make one larger Neighborhood Park.

Cm. Biddle stated that he is just interested in seeing what might be best for the development and seeing a different concept.

Vm. Hart stated that he is not favor of a residential area on Arnold Drive. Cm. Swalwell asked if that is because of Santa Rita Jail. Vm. Hart confirmed yes.

Cm. Swalwell confirmed with Vm. Hart that Arnold Drive is one of the pathways that Santa Rita jail inmates take when they are released.

Vm. Hart stated that, in regards to the Community Park area that is designated, he would like to see a program that is more sports related although not the entire area. He stated that he believes there is a need in the area for more athletic space and he would like to see the development move forward on a little bit more of the VCM rather than just the pad as 40,000 square feet is not all that much to potentially build out. He stated that the culvert on Arnold Drive would look bad and it would be an aesthetic issue.

Cm. Hildenbrand stated that she believes the general concept is fine. She stated that she has similar concerns regarding housing on Arnold Drive and understands that most of the Councilmembers are okay with it, however, she is uncomfortable with it but that is not to say that it wouldn't work.

Cm. Hildenbrand stated that she understands that most of the streets would take a while to open but is fine with how the phases come together and how it will all work together. She stated that, overall, the Draft Land Plan is fine and she is slowly coming around to how the Community Park is different from the original plan; however, she wants to ensure that the integrity and intent of the Community Park which was not a sports park.

Mayor Sbranti confirmed with Ms. Bascom that, in regards to each individual phase of residential development, the roadway infrastructure can support it in and of itself so if something cataclysmic happened after Phase 3, the roadways that were built to serve Phase 1 through 3 would be able to serve that population.

Ms. Bascom stated that SunCal and Staff have not yet reached design discussions but the intent is that every phase or combination of phases could stand alone.

Cm. Swalwell asked for clarification regarding the townhomes along Arnold Drive not fronting the street. Ms. Bascom replied that there has been no detailed design discussed but the intent is that anything residential that fronts Arnold Drive would not be the front door.

Cm. Swalwell stated that he imagines the backyard fence would be something similar to what KB Homes is doing for their fence line in the Emerald Vista development. Ms. Bascom replied that that would be a safe assumption.

Cm. Swalwell stated that he is fine with the Draft Land Plan, knowing that details will be discussed down the road.

Mayor Sbranti stated that he is generally fine with most of the Draft Land Plan. He stated that he does feel there is almost too much flexibility in the Draft Land Plan and that it is doing away with too much commercial. He stated that it is easy to think about commercial right now but the Project is a 20-year plan and with the I-580, I-680 and two BART stations, Dublin does have a lot of commercial viability. He stated that he would like to see the 56,000 square-foot minimum for commercial moved up and does not like the idea of residential on Arnold as it really does have the potential to be a commercial corridor whether as condos, clean tech space, or even flex space. He stated there a lot of types of commercial uses that could go along Arnold Drive and although it doesn't have to go up to 200,000 square feet of commercial, 56,000 square feet is too low and he would like some more assurance that the City can get more commercial out of the Project.

Mayor Sbranti stated that he understands that there are currently challenges getting new commercial, however, all of the office space in Dublin has been filled with a less than 5% vacancy on Class A Office which means that there is a desire for office space to be in the City. He stated that maybe there could be more neighborhood-serving retail but the one thing in making it just like the Waterford Shopping Center is that Waterford works because there is a grocery anchor. He stated that Tralee has had moderate success and to think that all of the commercial space is just going to be residential over retail or mixed use is concerning.

Mayor Sbranti stated he believes the two Neighborhood Parks should be combined because you could potentially get more sports uses out of it. He agreed with Cm. Hildenbrand in regards to the original intent of the Community Park.

Mayor Sbranti stated that he feels the overall park acreage is still a bit short and whether it's adding more to the Community Park or the Neighborhood Park, he thinks there should be more acreage. He stated that the Community Park could be extended to front Dublin Blvd. or the Neighborhood Parks could be made a little bit larger. He stated that if the Project is going to consist of 1,600 to 2,000 residential units, that is a lot of children playing sports and they'll need some place to play.

Mayor Sbranti stated that obviously the original land plan is not sustainable in terms of how much park was in that plan but he feels what is being proposed is a considerable difference.

Mayor Sbranti stated that he does not agree with the idea that if a joint use agreement cannot be reached between the City and DUSD, the City loses the 3 acres of park.

Cm. Swalwell asked if the amount of the Community Benefit payment could be negotiated if the Council wanted more acreage for the Community Park. City Manager Pattillo replied yes,

however, that is not what the Community Benefit trade-off was as there were other elements to it and not just the Community Park.

Cm. Swalwell asked if that is how the City would proceed in getting more acreage for the Community Park. Mayor Sbranti replied that ultimately, through the collective conversations between Council, Staff and SunCal, the goal is to get there.

Mayor Sbranti stated that, in regards to his view of the Draft Land Plan, there is a lot that he likes but would like the elements he discussed as concerns to be addressed somehow.

Vm. Hart stated that one more issue about Arnold Drive is the potential traffic study as a result of the BART customer vehicles that park down that street Monday through Friday. Ms. Bascom stated that the configuration of Arnold Drive and where parking is and is not allowed will be factored in as part of the traffic study but BART parking, specifically, is not something that would typically be looked at as part of the Project.

Mayor Sbranti stated that he does like the fact that there are more housing units at lower densities.

Cm. Biddle stated that one of the reasons he didn't want to give up on commercial yet was because the Arnold Drive development is Phase 5 and that is a long way out in the Project.

Cm. Hildenbrand stated that the commercial designation is an overlay so SunCal isn't doing away with commercial completely. Mayor Sbranti agreed that they're not completely doing away with commercial with the overlay but bumping up the minimum commercial square footage is definitely something to be looked at.

Principal Planner Bascom summarize the Council's general thoughts for Q1 stating that a preference for no residential along Arnold Drive was expressed by at least three Councilmembers; there was a general interest in increasing the amount of commercial acreage on the site; there was a general consensus of possibly combining neighborhood park sites into one neighborhood park; and there were thoughts on increasing the park acreage and have SunCal work with Staff to take a look at mechanisms to increase the park acreage. Ms. Bascom stated that the Council was generally supportive of the overall land use layout, outside of the residential on Arnold Drive.

Vm. Hart stated that the Draft Land Plan does not look as nice as the original one. He stated that the Community Park is no longer the center piece of the area and he believes it takes a little bit away from it.

Mayor Sbranti stated that the residents along Scarlett Drive or within the Transit Center love the Community Park placement and he doesn't have as much of a problem with where the Community Park is placed.

Vm. Hart stated that, overall, it does not seem as much of an attractive project from Dublin Blvd. as it used to. He stated that it seems like it's been watered down and he understands there is

some reason behind that, however, it seems like the school is the potential centerpiece and there is no idea, yet, when that would be built.

Ms. Bascom moved on to Question 2 (Is the City Council comfortable with the tradeoffs identified). She stated that the trade-offs, as identified in the Staff Report, recognize the lack of civic and public/semi-public designated land and the challenges of phasing as well as the alternative approach to meeting the Inclusionary Zoning Ordinance (IZO) requirements.

Vm. Hart stated that he is not comfortable with the entire Project as it is laid out financially. He stated that he is not a fan of the In-Lieu fee approach and doesn't think that the City needs to have the fees sooner rather than later and would rather get the full amount. He stated that he is not comfortable with the entire Project based on the CFD.

Cm. Hildenbrand stated that she is okay with the trade-offs.

Cm. Swalwell stated that he is also fine with the trade-offs but is confused whether or not there could be an up-front Community Benefit payment as he understood from Ms. Bascom that SunCal was not amenable to that in previous discussions but Mr. Guerra's presentation spoke differently. Ms. Bascom replied that she did not want to speak for Mr. Guerra; however she understood him to say that he is okay with an up-front Community Benefit payment as long as the Council identifies what they don't mind shifting around. She stated that if there is something that the Council would like to see moved up in terms of timing of a proposed payment, then that can be discussed.

Cm. Swalwell stated that he doesn't feel the Council needs to do that right now but thinks that a fiscal analysis for the Council to review and see whether or not it would be beneficial to take a payment now or over time would be good.

Mayor Sbranti clarified that having some type of analysis of what the City would receive over the course of the project versus what the City would receive in the first few years would be good.

Ms. Pattillo stated that what Mayor Sbranti and Cm. Swalwell are speaking of is the net present value estimate for the idea of up-front money versus something that is spread over, maybe, 20 years. She stated that Staff can provide that and part of the discussion that Staff worked with SunCal on is to get to those spots because we have certain needs and requirements in the City as it relates to the Public Safety complex and other things that we have no funding mechanism to build out. She stated that those are basically the trade-offs and Staff can do a net present value analysis about fees.

Ms. Pattillo stated that the idea is to talk a little bit about the Inclusionary Zoning Ordinance (IZO) discussion and, in past discussions with other developers, developers have gone above and beyond meeting the Inclusionary requirement. She stated that up-front money is worth a lot more versus waiting for it to trickle in over time. She stated that the macro conversation is discussing how the Inclusionary requirement can be met in another way such as the idea that was brought up about Veteran's housing.

Mayor Sbranti asked if getting part of the In-Lieu fee up-front was essential to making the Veteran's housing project work. Vm. Hart followed up and asked what the City's motivation is for doing that. Ms. Pattillo replied that there are several parts: one is the $7.5 million for the Community Benefit payment and the trade-off to get those dollars is there is no civic designated development site which would be approximately 8 acres, along with the exemption from the semi-public facilities policy. She stated that the exemption from the IZO requirements is a separate piece of which the amount won't be determined until it is known how many units are proposed.

Ms. Pattillo stated that the $2.8 million payment would be SunCal's contribution towards the ACSPA property acquisition. She stated another part that wasn't mentioned was the discussion as it related to the realistic goal of getting the Project done which includes the DA and that is invaluable because it increases the certainty from a developer's perspective and doesn't hold all the fees static. She stated that the standard DA in eastern Dublin, currently, is five years but the City and SunCal wanted to make sure that the Project does occur in a realistic timeframe. She stated that the $7.5 million payment, depending on when, if and how it comes about, would be something that she recommends the City move forward with for the Public Safety facilities.

Cm. Biddle stated that the only piece that really concerns him is the NASA piece that is somewhat unknown. He stated that another unknown is how big the VCM will be and 40,000 to 50,000 square feet is pretty large when the original plan was considerably smaller. He stated that he is fine with the In-Lieu fee piece.

Cm. Biddle asked what is meant by "no civic-designated development site." Mayor Sbranti replied that there were 8 or 9 acres in the old land plan that was undefined so it was a civic-designated site. He clarified that the site could have been a corp yard or district office.

Assistant Manager Foss stated that at the time of the original land plan, the City was in negotiations to buy the Historic Park site and looking to locate a site that the City could swap with the Berkeley Land Company and give them an entitled piece of land.

Vm. Hart stated that the buyout for the IZO requirements isn't known yet so he is concerned about that and is not sure why the City has to allow them a discount just because the money would be paid sooner. He reiterated his overall disagreement with the CFD.

Mayor Sbranti stated that he is generally fine with most of the trade-offs and is fine with not having a civic-designated site provided the City can obtain more park acreage or something commensurate with that. He stated that part of the original agreement included the civic-designated site which was 8 to 9 acres for public use and he thinks that having something else to recognize that is important.

Mayor Sbranti agreed with the request for a fiscal study to better understand the opportunity cost and what the City is getting in terms of up-front payment.

Ms. Pattillo clarified that Staff will have to make a lot of assumptions and may have a slower projection of when things are going to be pulled and err on being very conservative.

Mayor Sbranti stated that he is generally supporting what is proposed for the trade-offs but more information is needed.

Principal Planner Bascom moved on to Question 3 (Is the Community park "package" acceptable) stating that the "package" is the 28-acre Community Park that would be fully built out by SunCal with a $2.5 million Maintenance Endowment, and the $2.8 million contribution towards the acquisition of the ACSPA property that is included in the Community Park.

Cm. Hildenbrand stated that she is fine with the Community Park package but does not believe that the Community Park should be a sports park. She stated that she would like to see a bigger park, however, from discussions over the last few years, it sounds like having the original park is not as feasible anymore. She stated that she likes 28 acres of Community Park but has grave concerns regarding a joint use agreement with DUSD and how it would really work considering problems with join use agreements in the past and how accessible the joint land would be. She further stated that she does not want to see the City lose the 3 potentially joint acres. She reiterated that a 28-acre Community Park is fine as long as the City can maintain it.

Vm. Hart stated that he is not comfortable with there being any kind of agreement in the Master Plan where DUSD has control because it is not a DUSD issue. He stated that the City and DUSD can continue to work together but it should not be on the table as the City should have control over the 3 potentially joint acres.

Vm. Hart stated that he agrees with Cm. Hildenbrand's points but did like the original idea of a more centralized Community Park.

Cm. Biddle agreed with Vm. Hart and Cm. Hildenbrand and stated that it is important for the Community Park to work in the Parks Master Plan because of work going on with other Parks. He stated that he generally agrees with the plan but would like the Park bigger and one of his concerns is that many of the options presented boil down to less park acreage.

Cm. Swalwell stated that he is open to having Staff go back to the drawing board and discuss what it would take to obtain more park acreage. He stated that he would like a bigger Community Park but if 28 acres is the most the City can get in, that is fine.

Mayor Sbranti stated that the original plan had 60 acres of Community Park and moving down to 28 acres is a considerable difference that needs to be studied a bit further.

Cm. Swalwell stated that the Community Park Maintenance Endowment would have to grow if the acreage of the Community Park grew as the more park land you have, the more you have to maintain. He stated that he would take a smaller-acreage Community Park for a larger Endowment and less burden on future tax payers and City general fund dollars to maintain because we don't know where the economy is taking us and if the City has money in the bank that it can rely on to take care of the Community Park, it makes him feel more secure than having a huge Community Park that the City can't maintain.

Vm. Hart stated that knowing some of the potential programming for a 28-acre Community Park would be beneficial in knowing what size would be best.

Ms. Pattillo clarified that when Council and Staff met in August, 2011, Staff was given the charge to be flexible and one of the conditions of coming back, and discussions with SunCal in particular, was that Staff had to take those amenities that were desired by Council. She stated that her understanding was figuring out how to get the amenities that were desired by Council because Council was not wedded to any certain size of the Community Park, per se.

Ms. Bascom stated that what SunCal and their consultants have done is prepared a couple of park schemes, one which leans more heavily towards special amenities and has a couple of sports fields in it and another one which leans a little more heavy towards the sports field and has more of the special stuff fit in as appropriate. She stated that she believes the take-away is that 28 acres does not accomplish everything.

Mayor Sbranti stated that when he says he is looking for more park, he's not even looking for more than a few acres, but some way that we can accommodate the passive uses and not have sports field overlays at the same time.

Ms. Bascom stated that Question 7 (What is the City Council feedback on the Conceptual Community Park plans) can be discussed with Question 3 (Is the Community Park "package" acceptable).

Cm. Hildenbrand stated that she does not want to see sports fields in the Community Park as she does not feel that was the original intent of the Community Park. She stated that if you start to put sports fields in there, it is not the Community Park that was generally planned as what was planned was to have unique experiences in the middle of the City. She stated that idea was a defining park that brought people together for a variety of reasons like outdoor cooking classes, community garden, an amphitheater and the VCM. She stated that the original park was never intended to have large sports fields so if some of the sports fields overlay, they overlay.

Cm. Hildenbrand stated that the City needs to get in as much passive and unique experiences in this Community Park as possible. She stated that she understands the sports leagues are growing and more space is needed, however, maybe that gets accomplished in the Neighborhood Parks. She stated that the City is talking about making something different and unique and then it's just going to turn it into another park like what already exists but with a children's museum on it and a few other little amenities.

Vm. Hart asked if Cm. Hildenbrand thinks it could all be located in one location at the Community Park. Cm. Hildenbrand replied that the Community Park becomes a sports field and she doesn't like it because it was never the intent of what it was supposed to be. She stated that she feels that the people who had part in creating the Master Plan would be disappointed in what is proposed since a lot of time was spent designing the original Community Park.

Vm. Hart stated that the original Community Park was sized at 60 acres. Cm. Hildenbrand stated yes, but it did not include as many sports fields.

Mayor Sbranti stated that he did not disagree with Cm. Hildenbrand and asked if she would like the more passive uses to be located in the Community Park and the sports uses moved to a Neighborhood Park. Cm. Hildenbrand stated that idea could work but it also needs to be discussed what happens to the joint 3 acres if it gets gated off. She stated that at this point, the City is not even sure what the joint use would look like so the City already limiting ourselves.

PCS Director McCreary stated that if you moved the sports fields into a combined 5-acre Neighborhood Park site, you would have enough room for one ball field with a sports overlay, similar to Ted Fairfield Park. He stated that you would have a playground and associated amenities, and then one ball field with a soccer overlay.

Mayor Sbranti confirmed with Mr. McCreary that people can only play one sport at a time at Ted Fairfield Park: soccer or baseball.

Mayor Sbranti clarified with Cm. Hildenbrand that she is generally okay with the Community Park package, aside from concerns regarding what the joint use for 3 acres would look like and the programming of the Community Park. Cm. Hildenbrand stated that she completely agrees with Vm. Hart that the 3 acres should not go to DUSD and the City needs to be very cautious in moving forward with that because it feels like 3 acres are being given up.

Cm. Swalwell stated that he agrees with Cm. Hildenbrand in regards to Q7 and the fact that the intent of the Community Park should be honored. He stated that he also agrees with being flexible in looking at putting sports fields in the Neighborhood Parks.

Cm. Biddle stated that the original intent of the Park does need to be the primary use of that area and if there is anything left over, there might some room for a sports park.

Vm. Hart stated that he thinks the City can do both and agrees with Cm. Hildenbrand that they shouldn't take away from the original plan for the Community Park although he's not convinced that we necessarily would. He stated that he also wants to utilize the area and he would be concerned that the City would not get full maximum ability to utilize the area for the community.

Mayor Sbranti stated that he is okay in looking at the joint use area with DUSD provided that it is a package where the City has their access and DUSD has their access. He stated that he feels it can be done and can be discussed between DUSD, the City and SunCal to make it work.

Vm. Hart asked why it has to be a part of the DA.

Principal Planner Bascom stated that she believes it would be something that if the Council provided Staff direction to work with DUSD to find out if this is feasible, Staff would sit down with DUSD immediately to start having discussions, figuring out if the programming worked. She stated that by the time it got to the DA, the City would know whether or not the joint use would be happening as a draft joint use agreement would be worked out with DUSD. She stated that it

would be fine-tuned and would not state in the DA that a joint use agreement is a possibility because at that point it's either working or it's not.

City Manager Pattillo stated that the element as to why the joint use agreement would be is because if the 3 acres is considered part of a City park, SunCal would develop the amenities.

Mayor Sbranti stated that he understands concerns regarding access and not having an area that's fenced off as he has seen it work with Stager Gym and it would work with this Project but how that works is in the details. He stated that he is comfortable with at least looking at the joint use area because he thinks that DUSD can get value as well as the City in terms of having it as a Community Park. He stated that if some joint agreement is not reached and the Community Park is cut by 3 acres, he does have a concern about that.

Vm. Hart clarified that he has no problem with the potential discussion of the joint use, but he has a concern in bringing DUSD to the table and having them have some of the same abilities that the City would per the DA.

Cm. Swalwell confirmed that right now the Council is only agreeing to explore the joint use.

Mayor Sbranti stated that he is okay with Q3 and Q7 in terms of the parks being built but wants to still look at the acreage just to see that the City can still get what we need in terms of sports usage as well as passive usage.

Mayor Sbranti asked how the City could purchase the Community Park land if the Camp Parks deal wasn't moving forward and the City just had the park acreage sitting out there.

Mr. McCreary stated that it would be purchased out of the Park Impact Fees and the City would be looking, every couple of years, to update the CIP to see when the timing of that would be. He stated that currently it is not in the City's 5-year plan or cash flow to purchase that piece of property.

Mayor Sbranti stated that he appreciates the $2.8 million contribution and hopes that the ACSPA can be a partner in this and what the rate ultimately looks like. He stated that he would like to take a look at what that rate would be and wants to ensure that the City gets something good out of that because he knows that fair market value could potentially drain down the City's Park Impact Fees.

Cm. Biddle stated that instead of proposed school site reverting to residential, he would be more comfortable with it reverting to part of the Community Park.

Vm. Hart agreed with Cm. Biddle.

Mayor Sbranti stated that he is pretty confident that DUSD will use the site and he is comfortable with the residential overlay.

Mayor Sbranti stated that is generally supportive of what was said before in regards to the Community Park being more of a passive park. He stated that if there is a sports field or two that don't detract from the passive uses, he wouldn't be entirely opposed to having a sports field or two. He stated that the plan that consisted of passive uses and the sports fields doesn't work because it does detract from the original, passive intent of the Community Park. He stated that if you had something that was generally more of the passive intent with the different amenities discussed, that would be okay, but the City needs to stay true to the original intent. He stated that he also thinks the City needs to look at the neighborhood parks to see what can be done in terms of adding whatever sports fields are needed.

Mayor Sbranti stated that he thinks the Council needs to have a joint session with the Parks Commission at some point before moving too far forward down the line especially as we get into the programming of the Community Park. He stated that when the Fallon Sports Park was being planned there was a Community Master Plan Committee that did it and if the City is going to look at programming something this large, it should maybe look at holding something that is open to the public where the Council and the Parks Commission take a look at what the Community Park looks like once we know what the acreage looks like.

Mayor Sbranti stated that the Council can all talk about individual preferences and they are ultimately elected to make those decisions, but he thinks a decision of this size needs to be discussed with some of the stakeholders and the Parks Commission.

Mr. McCreary stated that, from a policy standpoint, if all of the fields were moved out of the Community Park area, only being to accommodate maybe two overlay fields within the Project, the City would have to look elsewhere in the City to build the other remaining sports fields. He stated that, currently, all of the community park space is accounted for with the City's current population for the fields it needs so, for example, the City would be looking at putting another Neighborhood Park, potentially, in the eastern Dublin area at the City's cost versus the developer's cost if it's done at part of the Project.

Mayor Sbranti stated that he would like to see it as part of the Project and confirmed with Mr. McCreary that the City can look at a balance.

Ms. Bascom clarified that what is being discussed is one Neighborhood Park which can accommodate one ball field with an overlay.

Mayor Sbranti stated that if a field was turfed and could be used year-round, there may be ways to at least consider having some overlays even though he does not prefer overlays.

Ms. Bascom confirmed with the Council that they would generally be accepting of overlays to accommodate the sports fields.

Cm. Biddle asked if we had overlays for a while at Dublin Sports Grounds. Mr. McCreary replied yes, with existing parks that were inherited as a City, there were overlays but in moving forward with the Parks & Recreation Master Plan, it did indicate the City would not consider overlays in the future because sports are playing more year-round.

Mayor Sbranti stated that the new standard is to not have overlays but, perhaps, if it was turfed or something that could be utilized year-round, it might be something he would at least consider.

Mayor Sbranti asked how many ball fields would come out of a development like this in terms of the sports uses. Mr. McCreary stated that for 1,600 units there would be 2 baseball fields, 1 softball field and two soccer fields.

Mayor Sbranti stated that the way he looks at the programming is being dominant with the passive with a couple grass fields and maybe looking at a Neighborhood Park that is turfed so if there is overlay, it can be used year-round.

Ms. Bascom confirmed that there is a consensus among the Council relating to the field overlays and general year-round use in the neighborhood park.

Mayor Sbranti stated that, if for some reason a joint use agreement can't be reached between the City and DUSD, his preference is that the City does not just lose 3 acres of Community Park. He stated that he wants to see something done between the City and DUSD but he does not want to lose 3 acres.

Ms. Bascom confirmed that there is a consensus among the Council that if a joint use agreement is not able to be worked out between the two agencies then SunCal needs to figure out a way to get the park acreage that DUSD wants.

Mayor Sbranti clarified that he wants to see this get done because he thinks it can and should get done, but if for some reason it can't and DUSD needs what they need, he doesn't think it should come at the expense of the City.

Vm. Hart stated that money will be tight in the school district regardless of if they have bond funds from the state. He stated that it will be tough for them to potentially develop that area so he would be concerned with the 3 acres reverting to them with no funding behind it.

Ms. Bascom confirmed with Council that the City would like to see a minimum 28 net-acre Community Park regardless.

Ms. Bascom moved on to Question 5 (Based on the Community Park size, does the City Council want to revisit the previous direction to provide 2.5 acres for the VCM) and asked if the Council is okay with the pad for the VCM being located in the Community Park as opposed to a stand-alone site.

Cm. Swalwell replied yes.

Cm. Hildenbrand stated that she would agree with their desire to be closer to Dublin Blvd. rather than tucked away as they should be visible as an identifying figure. She stated it would be more desirable for the entire community because once it's built, not only will the Park be unique, but

the VCM will be flagship building and attraction within the community so you want to be able to see it.

Vm. Hart agreed with Cm. Hildenbrand and stated that he would like to see some type of partnership possibility between SunCal and the VCM to build the building rather than just the pad.

Cm. Biddle stated that he thinks having the building near Dublin Blvd. is fine but having it on Dublin Blvd. would preclude any sort of park entrance. Cm. Hildenbrand clarified that she would like to see it closer to Dublin Blvd. but not necessarily on Dublin Blvd.

Cm. Biddle stated that he was taken aback but the desired size of building as the VCM was considering 40,000 to 50,000 square feet. Cm. Hildenbrand stated that she believes that was always the vision.

Cm. Biddle stated that the vision is fine but there has to be a lot of money raised. Vm. Hart stated that maybe that vision can be developed with a partnership. Cm. Hildenbrand stated that the City committed to giving the VCM the space and it is up to them to raise the money.

Cm. Biddle stated that he is glad the VCM has moved beyond just getting acreage as it makes more sense to him that they get a site. He stated that he liked the concept that if something happens to the museum, the site stays with the City for use as the City sees fit and we're not obligated to try and support a museum.

Mayor Sbranti agreed with the Councilmembers stating that the VCM would be a great amenity for the park and for the City. He stated that he supports the pad concept discussed and he thinks part of that conversation is planning for the worst case scenario. He stated that having some type of timeline for the VCM to have financing in place to come forward is important because this is not something that is indefinite. He stated that there should be some certainty in terms of what the final product is going to be and thinks that giving the VCM the maximum amount of time to raise the financing that they need in order to make this happen is appropriate and this is an opportunity for an exciting partnership.

Ms. Bascom clarified that the two conceptual Community Park plans that were prepared SunCal show a 15,000 square-foot pad for the building with a 15,000 square-foot expansion space. She stated that, essentially, that is about 30,000 square feet on the ground and asked the Council if that seems like a reasonable amount of space to be allocating in the Community Park plan at the conceptual level for the purposes of the VCM.

Cm. Hildenbrand asked for clarification regarding the VCM asking for 40,000 to 50,000 square feet. Ms. Bascom clarified yes, for the ultimate building size but it would be an over acre of land just for the building pad. She stated that this is an opportunity for Council to provide input in regards to how much space they would like to set aside in the park for the VCM.

Mayor Sbranti stated that he feels it is a bit premature to say exactly how much space.

Cm. Biddle stated that there are implications as it is anticipated that parking would be there for the VCM's use and if they start talking about 40,000 to 50,000 square feet, parking would be impacted for the rest of the Community Park.

Cm. Swalwell stated that he would support allowing the VCM a 40,000 square-foot pad which would allow for the ultimate build out of a 50,000 square foot building.

Cm. Hildenbrand agreed with Cm. Swalwell and stated that the vision was always to put the VCM in that area so parking will have to be figured out.

City Manager Pattillo stated that another possibility is doing a 25,000 square-foot pad and build up. She stated that there would be redesign on the parking to accommodate a building that size so that it won't take away from the Community Park acreage.

Mayor Sbranti stated that even though the request is 40,000 square feet now, the financing may come in and the building may not end up at 40,000 square feet. He stated that he thinks the 25,000 square-foot pad to be able to build a 50,000 square-foot building still accomplishes the same goal.

Ms. Bascom stated that, with the Councils' approval, Staff will move forward with the Notice of Preparation to begin the Environmental Impact Report. She stated that the Scoping Meeting is scheduled for June 20th and with the Council's direction, Staff will seek the services of a CFD expert to advise Staff on some of the questions that were brought up and will continue to work with SunCal in refining the Draft Land Plan, specific plan, and doing the environmental analysis.

Ms. Pattillo stated that there was still one issue outstanding, heard from the Council, which is the timing of the Community Benefit payment. She stated that currently the way it's stated it is paid over the phases and some of the Council had mentioned some desires to move forward and others disagreed.

Cm. Swalwell stated that he understood that Staff would return to Council with an analysis.

Ms. Pattillo stated that there are several components, one being the net present value as it relates to the In-Lieu fee so the idea is that conservative estimates would be made in regards to what the dollar amounts are based on a certain escalation.

Ms. Pattillo stated that there is a Community Benefit payment that has to do with the collection of the government-designated land, the DA, and other things. She stated that there was a discussion at one point in time and she wanted to make sure that Staff had all the questions answered about the timing of the Community Benefit payment. She asked if the Council is satisfied with the payment being phased in over 6 phases.

Mayor Sbranti stated that his preference is having the In-Lieu fee payment phased and get the Community Benefit payment up front if there is a choice because he feels there are some immediate needs that have been identified.

Vm. Hart, Cm. Biddle, Cm. Hildenbrand and Cm. Swalwell agreed with Mayor Sbranti.

Ms. Bascom stated that in terms of a future project schedule, there is a CEQA Scoping Meeting in June and what has been discussed with SunCal and identified in the master project schedule, and there is review by PCS Commission of park concepts once those are at a point where Staff is ready to bring those forward. She stated that interagency coordination meetings, a community open house, and City Council and/or Planning Commission workshop to review the project status would take place throughout the summer and the fall. She stated that at the end of this year, assuming everything moves forward as planned, there would be a City Council/Planning Commission joint workshop on the draft specific plan and what the project is really coming out to be and then through next spring, the Planning Commission public hearings and City Council public hearings.

4. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 10:41:51 PM.

Minutes prepared by Taryn Bozzo, Secretary.

Tim Sbranti
Mayor

ATTEST: Caro L. P. Saz
City Clerk