CITY OF ALAMEDA
Memorandum

To: Honorable Mayor and
Members of the City Council

From: Lisa Goldman
Acting City Manager

Date: January 18, 2011

Re: Presentation on Lawrence Berkeley National Laboratory's Request for Qualifications for a Second Campus

BACKGROUND

The Lawrence Berkeley National Laboratory (LBNL) has issued a Request For Qualifications (RFQ) to property owners for a second campus to consolidate current programs that are located in leased space throughout the East Bay, and to prepare for long-term growth (Second Campus). The RFQ is attached as Exhibit 1. The RFQ states that the new campus should be within a 20- to 25-minute commute from the existing LBNL campus in the Berkeley hills.

The Second Campus will consolidate approximately 480,000 square feet of laboratory and office space in the first phase of development. Currently, roughly twenty percent, or 800, of LBNL's 4,200 employees work in four leased, off-campus facilities: the Joint BioEnergy Institute (JBEI) in Emeryville, the Joint Genome Institute (JGI) in Walnut Creek, the National Energy Research Scientific Computing Center in Oakland, and part of the Life Sciences Division in West Berkeley. Merging these groups into the Second Campus will create efficiencies for LBNL and spur greater collaboration for scientific discovery.

The Second Campus must also have the potential for buildout of up to two million square feet for future research and development facilities to meet LBNL's long-term needs during the next 30 to 50 years.

LBNL is a federally funded research and development center under a prime contract with the U.S. Department of Energy and is under the management of the Regents of the University of California (UC). Final selection of the Second Campus site will require UC approval.

DISCUSSION

The City of Alameda has assembled an inter-departmental team to prepare the City's response to the RFQ, led by the City Manager's Office with collaboration from Economic Development, Community Development, Public Works, and Alameda Municipal Power.

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City staff will also work closely with planning, civil engineering, and environmental consultants to prepare the response to the RFQ. The staff and consultant team is identifying the most appropriate location at Alameda Point that meets LBNL's space requirements and other desired attributes for the Second Campus. The recommended site location will be presented to the City for approval at the February 2, 2011, Alameda Reuse and Redevelopment Authority meeting. The City's response will provide in detail the following requested information:

- Developer/landowner attributes;
- Entitlement and zoning information;
- Physical site characteristics (soil characteristics, environmental contamination, site constraints, and utilities capabilities); and
- Location characteristics (distance from LBNL, access, public transportation, amenities, neighborhood characteristics, and local attitude toward a project of this type and scale).

UC owns a 90+ acre site in Richmond, known as the Richmond Field Station (RFS), which generally meets the criteria listed in the RFQ and is considered by LBNL as a viable location. The RFQ states that LBNL will be evaluating potential sites "relative to their ability to better meet the needs of the University and the DOE." Other possible Second Campus options may include sites within the cities of Berkeley, Emeryville, and Oakland.

The responses to the RFQ are due March 4. UC intends to announce a short list by the end of March and make a final site selection by June. UC expects all short-listed respondents to engage an entity with appropriate development experience to participate in detailed negotiations with UC and that the third-party developer will construct the infrastructure and facilities related to the Second Campus. To meet this time requirement, City staff will issue a solicitation for developers in early February to have a development partner in place to discuss a preliminary development agreement with UC by April to commence joint negotiations with UC and LBNL. Construction for the first phase is to begin in July 2013, with occupancy by December 2015.

FINANCIAL IMPACT

UC intends to finance the development of the site. However, UC will also consider third-party financing, or a combination of public and private financing, if such financing would be more beneficial.

The City would receive many direct and indirect benefits, including:

- A catalytic effect on the redevelopment of Alameda Point;
- Spillover office and lab space demand at Alameda Point and in local business parks;

- New administrative, managerial and advanced degree positions and wages in the clean tech and life sciences fields; and
- Local spending by LBNL employees with local increases in retail sales.

As a public institution, a Second Campus at Alameda Point will not generate any property or sales tax revenue for the City. The City anticipates that producing its response may cost between $20,000 and $25,000, which will be paid through the existing ARRA budget.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

1. The Naval Air Station Alameda Community Reuse Plan (1996) calls for the creation of a mixed-use, sustainable development at Alameda Point, including an emphasis on significant job creation.

2. The Alameda Point General Plan Amendment (2003) encourages a mixed-use development, which includes over two million square feet of commercial development.

3. The City's Economic Development Strategic Plan (2000 and 2006) Strategy #1 is the creation of industrial and office jobs.

RECOMMENDATION

This staff report is for information and discussion purposes only. No action is requested at this time.

Respectfully submitted,

Jennifer Ott
Deputy City Manager

By:

Eric Fonstein
Development Manager

Exhibits:

1. Lawrence Berkeley National Laboratory's Request for Qualifications for a Second Campus.