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PERMIT CENTER
ALAMEDA, CA 94501

November 7, 2013

Andrew Thomas, City Planner
Community Development Department
City of Alameda City Hall
2263 Santa Clara Avenue, Room 190
Alameda, CA 94501

Re: **Harbor Bay Residential & Athletic Club Projects**

Dear Mr. Thomas:

This letter is on behalf of Harbor Bay Isle Associates and Harbor Bay Club Associates, the Co-Applicants of Applications for the proposed development of a new Harbor Bay Athletic Club on vacant parcels on North Loop Road and the proposed development of a new residential neighborhood of 80 homes on the current Harbor Bay Club site at 200 Packet Landing Road. After listening to comments from members of the community at the Public Scoping Meeting on the EIR held before the Planning Board on October 28, 2013 and your explanations to the Planning Board and the community about next steps in the City's processing of these Applications, the Co-Applicants are hereby informing the City that have decided to separate the two Applications, and we will shortly be amending our Applications to accomplish the separation of the two projects. Meanwhile, we ask the City to continue processing the EIR on our Applications and to continue reviewing project plans, maps, and other documentation presented by our consultants to City staff for review.

Since one of the key issues here is to determine the best use of the land at the Packet Landing Road site after the new Harbor Bay Club is approved and built on the North Loop Road site, we will be presenting the City with information about an alternative use of the Packet Landing Road parcel as a Hotel – Conference Center with recreational components, a restaurant and bar, which we understand would be an allowed

use under the property's current C-2-PD zoning and its current General Plan land use designation as Commercial Recreation. Our consultants are developing plans and program materials for this potential use of the land sufficient for the City's environmental consultant firm and your staff to perform a thorough analysis of this alternative to the proposed residential development project as part of the EIR.

Sincerely,

Daniel F. Reidy

DANIEL F. REIDY

cc: C. Timothy Hoppen, President, Harbor Bay Isle Associates

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DEC 09 2013
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ALAMEDA, CA 94501

December 4, 2013

Andrew Thomas, City Planner
Community Development Department
City of Alameda City Hall
2263 Santa Clara Avenue, Room 190
Alameda, CA 94501-4477

Re: **PLN13-0254: Transmittal of Updated Narrative Statements for Development of a New Harbor Bay Club on North Loop Road and for Development of New Homes on Packet Landing Road**

Dear Mr. Thomas:

This letter is a follow-up to our letter to you of November 7, 2013 that informed the City that Harbor Bay Club Associates and Harbor Bay Isle Associates would shortly be amending the two Applications filed with the City on August 28, 2013 so that they could be considered separately as stand-alone development projects rather than linked in a joint plan of development.

Enclosed are two documents entitled: (1) Updated Narrative Statement for Development of a New Harbor Bay Club or North Loop Road, and (2) Updated Narrative Statement for Development of New Homes on Packet Landing Road Site.

In the initial Application packages, a single combined Narrative Statement was included with the Application forms and Maps for the proposed developments at the two sites. These enclosed Updated Narrative Statements are sent to your office as replacements for the original Narrative Statement and update the information relevant to the proposed developments at the two sites.

While the EIR that is underway will be analyzing the environmental impacts of the proposed developments at both of the sites, we suggest that Planning staff can review project plans, maps and other documentation for proposed development on each of these sites separately and with their own timelines.

Sincerely,

Daniel F. Reidy

DANIEL F. REIDY
Attorney for Harbor Bay Isle Associates and Harbor Bay Club Associates

cc: C. Timothy Hoppen, President, Harbor Bay Isle Associates

December 4, 2013

UPDATED NARRATIVE STATEMENT FOR DEVELOPMENT OF A NEW HARBOR BAY CLUB ON NORTH LOOP ROAD

INTRODUCTORY EXPLANATION FOR UPDATED NARRATIVE STATEMENT

On August 28, 2013, Harbor Bay Club Associates as the owner of the parcel of real property located at 200 Packet Landing Road occupied by the Harbor Bay Club and Harbor Bay Isle Associates as the owner of three vacant parcels of real property located on the north side of North Loop Road in the Harbor Bay Business Park filed two Applications with the City of Alameda as Co-Applicants for relocation and development of a new Harbor Bay Club on the North Loop Road parcels and for redevelopment of the current Harbor Bay Club site with a new residential neighborhood of 80 single family homes. Filed with the Application forms and Maps was a Narrative Statement giving an overview of the two development projects. City Planning staff processed the two Applications under a single file number: PLN13-0254.

On September 25, 2013, City Planning staff issued an Incomplete Letter to the Co-applicants listing additional information and documentation that would be required for processing the Applications filed together under file number PLN13-0254. On October 13, 2013, the Co-Applicants jointly filed a Supplemental Narrative Statement Supporting the General Plan Amendment Required for Development of New Homes at 200 Packet Landing Road. This Supplemental Narrative Statement reflected that the two Applications were linked in a joint plan of developing the two projects at the two sites.

An Environmental Impact Report covering the environmental impacts of the two proposed developments is currently underway. Some comments from the public filed with the City on the Notice of Preparation of the EIR and the Initial Study and expressed at the Public Scoping Meeting on the EIR held before the Planning Board on October 28, 2013 recommended that the two proposed projects be considered separately. By letter to City Planner Andrew Thomas dated November 7, 2013, Harbor Bay Club Associates and Harbor Bay Isle Associates gave notice to the City that they have decided to separate the two development projects and would shortly be amending the Applications to accomplish the separation of the two projects. This letter also requested the City to continue processing the EIR on both of the Applications and to continue reviewing project plans, maps, and other documentation

presented by our consultants to City staff for review. This Updated Narrative Statement is focused on the proposed development of a new Harbor Bay Club on the North Loop Road parcels as a stand-alone development project, and with respect to the proposed new Harbor Bay Club, replaces both the relevant portions of the initial Narrative Statement filed with the Application forms and Maps on August 28, 2013 and the Supplemental Narrative Statement filed on October 13, 2013.

SUMMARY OVERVIEW OF THE PROPOSED DEVELOPMENT OF A NEW HARBOR BAY CLUB ON THE NORTH LOOP ROAD PARCELS.

A. SETTING AND SURROUNDINGS OF THE NORTH LOOP ROAD PARCELS PROPOSED FOR DEVELOPMENT OF A NEW HARBOR BAY CLUB.

The three vacant parcels on the north side of North Loop Road lie within the Harbor Bay Business Park. Adjacent properties within the Business Park include the Chinese Christian Schools campus to the east and the Garner Preschool Learning Center and the Kindercare Learning Center to the west. Across North Loop Road to the south are various commercial businesses in the North Loop Road Business Association, including Pete's Coffee and Tea, Semifreddi's Bakery, Ettore Bakery, and The Cheeze Works, and also office tenants in the Waterfront Complex. Catalina Avenue lies along the northern edge of the parcels, and to the north on the other side of and along Catalina Avenue are a number of neighborhoods in the so-called Highlands area of Bay Farm Island: Islandia, Casitas, Garden Isle, Lighthouse Cove, Bay Cove, and Heritage of Alameda.

B. OVERVIEW OF APPLICATIONS FOR LAND USE AND PERMIT APPROVALS FOR DEVELOPMENT OF A NEW HARBOR BAY CLUB ON NORTH LOOP ROAD.

The proposed development plans for the new Harbor Bay Club on the vacant North Loop Road parcels prepared by MCG Architecture include an enclosed Club building with spaces for cardio/weights, fitness support, indoor day care with an outdoor day care play area, a day spa and pro shop with an outdoor spa terrace, men's and women's locker rooms, reception, Club offices, and miscellaneous program support, equipment and supplies storage areas. There will be an indoor café with outdoor café seating. The proposed outdoor facilities are eight (8) tennis hard courts with a combination basketball/sports court, a tournament viewing stand, a 25 yard adult lap pool, a 25 yard family pool with

added diving area, a water spa, a kids' pool, a splash pad kids' water element, poolside cabanas, convenient access to restrooms, outdoor lounge area, barbeque area, a paved sports court, and an all-weather turf playfield. The plan includes off-street parking for 277 vehicles. Space is reserved in the southwest corner for a two-story commercial office building of approximately 15,000 square feet. The site plan includes landscaped setbacks from Catalina Avenue, from adjoining properties to the east and west, and from North Loop Road.

The proposed development of a new fitness, swim and tennis athletic club on the vacant parcels on the north side of North Loop Road will not require rezoning the property, since the proposed use is permitted under the current CM-PD zoning district classification of the property. The proposed development project would fall within the approvals and conditions of the existing Planned Development applicable to all the privately-owned properties in the Harbor Bay Business Park (PD-81-2) approved by the Alameda Planning Board in Resolution No. 1203 in December of 1981, and as revised in the PD Amendment for the Harbor Bay Business Park (PDA- 85-4) approved by the Alameda Planning Board in Planning Board Resolution No. 1533 on September 11, 1985, and as confirmed in the Harbor Bay Isle Development Agreement approved by the City in April 1989. Similar developments of the Oakland Raiders offices and outdoor training fields and facilities and the Chinese Christian Church and Schools campus of enclosed buildings and outdoor sports fields have been approved under the umbrella Planned Development approvals granted in 1981 and 1985 by processing Final Development Plans and Design Review applications for the proposed developments. Also, the nearby Garner Preschool Learning Center and the Kindercare Learning Center on North Loop Road, both of which have outside recreational areas, received Final Development Plan and Resign Review approvals from the City under the current CM-PD zoning district classification of those respective properties.

Similarly, the proposed development of a new commercial fitness, swim and tennis athletic club at this site will not require a General Plan Amendment, since the proposed use is compatible with the "Business Park" land use designation of the property in the City's General Plan. Similar developments of the Oakland Raiders offices and outdoor training fields and facilities and the Chinese Christian Church and Schools campus of enclosed buildings and outdoor sports fields within the Harbor Bay Business Park were approved by the City without requiring a General Plan Amendment.

The proposed development is consistent with the City's General Plan policies requiring adequate open space for public and commercial recreation and enjoyment. In Chapter 6 of the City of Alameda General Plan, under the category of Guiding Policies for Parks and Recreation, Guiding Policy 6.1.d. is: "Promote the development and retention of private open space to compensate for the shortage of public open space." The proposed new Harbor Bay Club on the North Loop Road site would be a development of new private open space consistent with this Guiding Policy.

The proposed development of a new Harbor Bay Club on the North Loop Road parcels will require some preliminary land use approvals from the City which are part of this Application, namely:

1. Approval of a Final Development Plan;

2. Approval of a Tentative Subdivision Map for re-subdividing the three vacant parcels into two parcels, with the larger one planned for the new Harbor Bay Club, and the smaller one reserved for later development of a two-story commercial office building; and

3. Approval of an updated Master Plan for Harbor Bay Isle.

After receiving approval of the proposed Final Development Plan with any changes or conditions set by the Planning Board, the necessary plans and specifications for a Major Design Review application will be prepared and filed. A Final Subdivision Map application will follow. Construction of the proposed development of a new Harbor Bay Club and a commercial office building on the North Loop Road parcels will require grading permits, excavation permits, building and paving permits for the construction of the proposed new Club building, outdoor recreational facilities, underground utility infrastructure, and the shared off-street parking area.

C. GROUNDS FOR APPROVAL OF THE FINAL DEVELOPMENT PLAN FOR THE NEW HARBOR BAY CLUB.

To assist the Planning Board in weighing the factors usually considered for approval of a Final Development Plan, the following points are offered as grounds for approval of the application for the Final Development Plan of the proposed new Harbor Bay Club at this site:

1. The proposed uses are permitted within the Commercial-Manufacturing zoning district with which the PD District is combined.

2. The proposed uses are similar to those previously approved by the City at sites within the Harbor Bay Business Park, including the Oakland Raiders headquarters and training fields and facilities and the Chinese Christian Church and Schools campus with outdoor fields and play areas.

3. The proposed uses are compatible with other developed properties nearby, including the nearby Garner Preschool Learning Center and the Kindercare Learning Center on North Loop Road, both of which have outside recreational areas .

4. The proposed site is physically suitable for the proposed development and the anticipated density and intensity of uses.

5. The size, massing and locations of the proposed structures, the layouts of the outdoor spaces, and the number of off-street parking spaces are appropriate for the anticipated uses and program activities that will take place at the new Harbor Bay Club.

6. The proposed development of a new Harbor Bay Club at this site is not likely to cause traffic congestion, unsafe access, environmental damage, or public health problems. Mitigation measures to minimize noise impacts from programs at the Club and glare from outdoor lighting are incorporated into the plans for the project.

7. The proposed development will enhance rather than adversely affect the desirability and taxable value of other properties within the vicinity.

D. GROUNDS FOR APPROVAL OF A PARCEL MAP TO RE-SUBDIVIDE THE 3 NORTH LOOP ROAD PARCELS INTO 2 PARCELS.

To assist the Planning Board and the City Council in weighing the factors outlined in Section 30-78.5 of the Municipal Code to be considered in acting on a proposed Parcel Map, the following points are offered as grounds for approval of the Parcel Map:

1. That the proposed Parcel Map meets proper standards for design and improvement and meets engineering and other standards of the City.

2. That the proposed Parcel Map presents an acceptable comprehensive plan for the planned development of a new Harbor Bay Club and a commercial office building on the re-subdivided parcels.

3. That the proposed Parcel Map is consistent with applicable General Plan policies and the land use designation of the property.

4. That the site is physically suitable for the proposed type of development, namely a commercial recreational and health club and a commercial office building.

5. That the site is physically suitable for the proposed density of commercial development.

6. That the design of the re-subdivision of the parcels or the proposed development of the site as a commercial recreational and health club and a commercial office building is not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

7. That the design of the re-subdivision of the 3 parcels into 2 parcels will not conflict with easements acquired by the public at large for access through or use of property within the proposed re-subdivision.

8. That the design of the re-subdivision of the 3 parcels into 2 parcels or the type of improvements planned for the commercial recreational and health club and a commercial office building are not likely to cause serious public health problems.

E. PROPOSED AMENDMENT OF MASTER PLAN FOR HARBOR BAY ISLE.

Summary Background on the Master Plan for Harbor Bay Isle. From its inception, Harbor Bay Isle has been a master-planned community. The Master Plan for Harbor Bay Isle and subsequent

revisions developed by Harbor Bay Isle Associates as the Master Developer have been considered by the City of Alameda through the years as a framework and context for consideration of applications for land use and subdivision map approvals for specific portions of Harbor Bay Isle. The last City approval of the Master Plan for Harbor Bay Isle occurred as part of the City of Alameda's approval of the Development Agreement with the Harbor Bay developers in April of 1989. The Master Plan for Harbor Bay Isle appeared as a graphic Description of the Harbor Bay Project in the Development Agreement. At that time, a parcel on Packet Landing Road in the northeast corner of Harbor Bay Isle was designated as "Harbor Bay Club," and several specific projects expected under the Development Agreement were not yet indicated on the Master Plan, including the Harbor Bay Ferry Terminal, Bay Farm School, and Tillman Park. The proposed development of a new Harbor Bay Club warrants an updating of the Master Plan for Harbor Bay Isle to designate the North Loop Road parcels in the Business Park as the "New Harbor Bay Club."

Grounds for Approval of an Updated Master Plan for Harbor Bay Isle. To assist the Planning Board and the City Council in considering the requested update of the Master Plan for Harbor Bay Isle, the following points are offered as grounds for approval of the updated Master Plan for Harbor Bay Isle:

1. Designating the North Loop Road parcels as "New Harbor Bay Club" would not amount to a substantial amendment or revision of the Master Plan for Harbor Bay Isle since the approximately 9 acres of land is a relatively small part of the acreage of Harbor Bay Isle devoted to the Harbor Bay Business Park.

2. Previous amendments of the Master Plan for Harbor Bay Isle accepted by the City of Alameda and included in prior City approvals included the replacement of a proposed Commercial area on the western tip of the Bay Farm Island peninsula that was proposed to include the Community Center for Harbor Bay Isle with residential uses that are now parts of Villages 4 and 5 and a change in the boundaries between residential Village 5 and the Business Park.

3. Approval of the requested update of the Master Plan for Harbor Bay Isle would clarify and update the location of the Harbor Bay Club within the boundaries of Harbor Bay Isle as a whole.

December 4, 2013

UPDATED NARRATIVE STATEMENT FOR DEVELOPMENT OF NEW HOMES ON PACKET LANDING ROAD SITE

INTRODUCTORY EXPLANATION FOR UPDATED NARRATIVE STATEMENT

On August 28, 2013, Harbor Bay Club Associates as the owner of the parcel of real property located at 200 Packet Landing Road occupied by the Harbor Bay Club and Harbor Bay Isle Associates as the owner of three vacant parcels of real property located on the north side of North Loop Road in the Harbor Bay Business Park filed two Applications with the City of Alameda as Co-Applicants for relocation and development of a new Harbor Bay Club on the North Loop Road parcels and for redevelopment of the current Harbor Bay Club site with a new residential neighborhood of 80 single family homes. Filed with the Application forms and Maps was a single Narrative Statement giving an overview of the two development projects. City Planning staff processed the two Applications under a single file number: PLN13-0254.

On September 25, 2013, City Planning staff issued an Incomplete Letter to the Co-applicants listing additional information and documentation that would be required for processing the Applications filed together under file number PLN13-0254. On October 13, 2013, the Co-Applicants jointly filed a Supplemental Narrative Statement Supporting the General Plan Amendment Required for Development of New Homes at 200 Packet Landing Road. This Supplemental Narrative Statement reflected that the two Applications were linked in a joint plan of developing the two projects at the two sites.

An Environmental Impact Report covering the environmental impacts of the two proposed developments is currently underway. Some comments from the public filed with the City on the Notice of Preparation of the EIR and the Initial Study and expressed at the Public Scoping Meeting on the EIR held before the Planning Board on October 28, 2013 recommended that the two proposed projects be considered separately. By letter to City Planner Andrew Thomas dated November 7, 2013, Harbor Bay Club Associates and Harbor Bay Isle Associates gave notice to the City that they have decided to separate the two development projects and would shortly be amending the Applications to accomplish the separation of the two projects. This letter also requested the City to continue processing the EIR on

both of the Applications and to continue reviewing project plans, maps, and other documentation presented by our consultants to City staff for review. This Updated Narrative Statement is focused on the proposed development of a new residential neighborhood of 80 single family homes on the Packet Landing Road site as a stand-alone development project, and with respect to the proposed new residential development, replaces both the relevant portions of the initial Narrative Statement filed with the Application forms and Maps on August 28, 2013 and the Supplemental Narrative Statement filed on October 13, 2013.

SUMMARY OVERVIEW OF PROPOSED DEVELOPMENT PROJECT ON THE PACKET LANDING ROAD SITE.

A. SETTING AND SURROUNDINGS OF THE PROPOSED NEW RESIDENTIAL DEVELOPMENT SITE.

The property located at 200 Packet Landing Road currently occupied by the Harbor Bay Club property (Parcel 1 of Tract 3773) is located at the northeast corner of Harbor Bay Isle on Bay Farm Island. On the eastern side of the property is Veterans Memorial Park on Veterans Court, a landscaped parcel at the southerly end of the Bay Farm Island Bridge. Along the northern side of the property is a portion of the City's Shoreline Park that runs along the San Leandro Channel of the Bay. On the southern side of the property is the residential neighborhood called Centre Court, comprised of 112 condominium homes. Across Packet Landing Road from the site is the residential neighborhood called Brittany Landing Harbor, comprised of 82 single family attached homes.

B. OVERVIEW OF LAND USE AND PERMIT APPROVALS REQUIRED FOR REDEVELOPMENT OF THE CURRENT HARBOR BAY CLUB SITE WITH NEW HOMES.

The proposed development of the new residential neighborhood on Packet Landing Road will require a number of preliminary land use approvals from the City, namely:

1. Approval of a General Plan Amendment to change the land use designation of the property on the Land Use Map of the City's current General Plan from "Commercial Recreation" to "Medium Density Residential;"

2. Approval of an amendment of the Zoning District classification of the property from C-2-PD to R-2-PD;

3. Approval of a Tentative Subdivision Map subdividing the property into 80 residential lots, private roads for interior access, and Homeowner Association (HOA) common areas of open spaces and for guest parking; and

4. Approval of an amendment to the Master Plan of Harbor Bay Isle.

After the preliminary land use approvals are obtained from the City, the Applicant expects to work with a home builder on preparing and filing a Planned Development application and applications for a Final Development Plan, Major Design Review, and a Final Subdivision Map. Construction of the proposed residential development will require a demolition permit for demolition and removal of existing improvements on the site, grading permits, and building permits for the construction of the new homes, access roads, common area improvements, and utility infrastructure for the new residential neighborhood.

An important component of the application for the new homes at this site is a commitment by Harbor Bay Isle Associates that if the City approves the application for 80 new homes at this site, the Harbor Bay developers will make no further applications for the development of additional residential units in Harbor Bay Isle. In the April 1989 Development Agreement between the Harbor Bay developers and the City of Alameda, the City acknowledged and agreed that up to 3,200 residential units could be developed in Harbor Bay Isle. However, only 2,973 residential units have been built to date in Harbor Bay Isle. By this commitment, the Harbor Bay developers are giving up the right to develop an additional 147 homes in Harbor Bay Isle.

The 9 acre parcel at 200 Packet Landing Road site currently occupied by the Harbor Bay Club is already part of the Community of Harbor Bay Isle and holds membership in the Community of Harbor Bay Isle Owners Association in a commercial category. The home builder will form a new homeowners association for the planned new residential neighborhood, and it is anticipated that the new residential neighborhood will be re-designated by the Community Board as part of residential Village Three of Harbor Bay Isle.

C. PROPOSED GENERAL PLAN AMENDMENT FOR RESIDENTIAL DEVELOPMENT.

Summary of the General Plan History of the Site. As the master-planned community of Harbor Bay Isle has evolved over time, this property has always been part of the general area of the total development designated for residential and residential-related uses. The City's 1968 General Plan prepared by DMJM approached future development of Harbor Bay Isle under three general levels of development, without specific attention to this site. In the Combined Land Use Plan adopted by the City in July of 1979, this property was identified as a "Recreation Center" on a plan for the Approved Portions of Harbor Bay Isle and classified as "Open Space" in the Land Use Plan Diagram. In the current City of Alameda General Plan adopted in 1991, the site is designated "Commercial Recreation" on the General Plan Diagram.

Statement of the Proposed General Plan Amendment. The proposed General Plan Amendment requests the City of Alameda to change the land use designation of the property on the Land Use Map of the City's current General Plan from "Commercial Recreation" to "Medium Density Residential." This requested new land use designation would be required for the proposed development of 80 single family detached homes on this site to be in conformance with the City's General Plan, considering the factors of projected population density and building intensity.

Grounds for Approval of the Proposed General Plan Amendment. To assist the Planning Board and the City Council in weighing the factors usually considered for approval of a proposed General Plan Amendment, the following points are offered as grounds for approval of the application for a General Plan Amendment of the land use designation of this site:

1. This proposed General Plan Amendment does not amount to a substantial amendment of the City's General Plan.

2. The requested change in the land use designation of the site would result in this site having the same land use designation of "Medium Density Residential" as the adjacent Centre Court neighborhood to the south of the site and as the Brittany Landing Harbor neighborhood directly across Packet Landing Road from the site.

3. The proposed development of up to 80 residential units that this General Plan Amendment would facilitate would not amount to a substantial increase in the population of the City of Alameda. The City's current General Plan anticipates full build-out of 3,200 residential units in Harbor Bay Isle, and only 2,973 residential units have been built to date in Harbor Bay Isle.

4. The residential development of this approximately 9 acre site with up to 80 homes and the resulting number of occupants would not result in excessive demands upon public services provided by the City or on the available public water supply, or require substantial additions to area public schools.

5. The property is already developed with buildings and other structural improvements and occupied and used for commercial recreational purposes, so the change of the land use designation would not ultimately result in any disturbance of pristine natural areas, wetlands, sensitive habitats, cultural resources, or sites previously occupied by Native American Indian tribes.

6. The commercial recreational uses on the property are already served by public and private utilities, and the proposed change in land use designation to residential would not require significant changes in or additions to the utility infrastructure already in place.

7. The proposed redevelopment of this 9 acre parcel is consistent with the City's General Plan policies calling for waterfront access for the public. Under the category of Implementing Policies for Shoreline Access and Development in the City's General Plan, Policies 6.2.g. and 6.2.h. promote shoreline access in consultation with BCDC within the area of BCDC regulation. The property at 200 Packet Landing Road (Parcel 1 of Tract 3773) is adjacent to a portion of the City's Shoreline Park that is part of the Bay Trail (Parcel 4 of Tract 3773). The boundaries of this portion of the Shoreline Park and the public access facilities, including the bicycle paths, walking and jogging paths, decks and the shoreline pedestrian and bike bridge under the Bay Farm Island vehicular bridge, were determined in consultation with BCDC, approved by BCDC's Design Review Board, and documented in an Agreement between Harbor Bay Isle Associates and BCDC specifically for Tract 3773 in February 1981. The

requested change of the land use designation of the property at 200 Packet Landing Road on the Land Use Map of the City's current General Plan from "Commercial Recreation" to "Medium Density Residential" and redevelopment of that property with new homes instead of the Harbor Bay Club will not interfere with the public access improvements along the Bay edge or their utilization by the public for waterfront access. The proposed new neighborhood of homes to be built on the 200 Packet Landing Road site will provide access to the Shoreline Park for its residents and visitors at its common area parcel A and by way of the pathways alongside Packet Landing Road which extend into the Shoreline Park similar to other Bayside neighborhoods in Harbor Bay Isle. The requested General Plan Amendment is consistent with these General Plan policies promoting public access to the Bay shoreline and with BCDC's policies promoting public access to the Bay shoreline.

8. The proposed General Plan Amendment will benefit the general welfare of the community in several ways. A new neighborhood of attractive, high-quality homes will provide current homeowners in Alameda, especially on Bay Farm Island, who have built up some equity in their older homes but need more space or desire a more attractive or more modern type of home, to move up to a new home while remaining in Alameda. The proposed new residential neighborhood will be compatible with other established residential neighborhoods in this part of Harbor Bay Isle, and there is a general recognition in the City that the residential neighborhoods of Harbor Bay Isle as a whole benefit the general welfare of the community. Also, the project Applicant is committed to incorporate "green" and sustainable features within the proposed new homes which would follow upon approval of the General Plan Amendment, and such features will benefit the community as a whole and help implement the policies behind the City of Alameda's decision to support and comply with the 2010 California Green Building Standards Code.

9. The Proposed General Plan Amendment is in the Public Interest. The proposed General Plan Amendment that will designate the property at 200 Packet Landing Road as a residential land use is a necessary step towards development of new homes at this site, and the proposed residential development will support the City of Alameda's efforts to cooperate with ABAG's and MTC's "Smart Growth" land use planning policies and programs by building new homes within an established urban area. This proposed residential development will

be infill housing, a land use policy objective which is supported and promoted by these regional agencies because it does not put pressure for development on the region's ridgelands, agricultural lands, or natural open spaces to absorb the region's inevitable population growth. Adding another high quality neighborhood to the existing array of neighborhoods at Harbor Bay Isle will be in the public interest.

D. PROPOSED REZONING OF CURRENT HARBOR BAY CLUB SITE

Summary of the Zoning History of the Site. In the City of Alameda's Zoning Map for Bay Farm Island adopted in mid-1958, when the filled land that became Harbor Bay Isle was all vacant land, the site currently occupied by the Harbor Bay Club was designated C-2-PD, presumably for a community shopping center, since the Zoning Map at that time did not include a shopping center site at Island Drive and McCartney Road where the land was zoned R-2-PD. When the Final EIR for Harbor Bay Isle was approved and certified by the City in 1974, the City Council decided to rezone all the residential areas of Harbor Bay Isle to R-1-PD, including the acreage reserved for schools, and this site was also included in the mass rezoning of land to R-1-PD.

On August 17, 1976, Harbor Bay Isle Associates submitted an application for rezoning the site from R-1-PD to C-2-PD and an application for a Planned Development for a proposed Harbor Bay Club. On October 18, 1976, the Planning Board recommended approval of rezoning the site to C-2-PD and approved the proposed Planned Development for the Harbor Bay Club (PD-76-10). In December of 1976, the City Council approved Ordinance 1834 for the rezoning of the site for the Harbor Bay Club from R-1-PD to C-2-PD. The rationale for the underlying C-2 Zoning District (Central Business District) was that the planned uses on the property included commercial operations at the private recreational club and the sale of liquor at a bar in the planned club house. Subsequently the Planning Board approved Amendments to the initial Planned Development approval for the Harbor Bay Club without changing the C-2-PD zoning of the property.

Statement of the Proposed Rezoning. Under current zoning regulations, the site needs to be rezoned from a commercial classification to a residential classification to allow the development and occupancy of new homes on the site. The proposal is to rezone the property to R-2-PD (R-2 Residence District, with a Planned Development overlay). The R-2 underlying zoning district allows for residential

lots smaller than 5,000 square feet in size, which would permit development at densities similar to the neighboring developments of Centre Court and Brittany Landing Harbor, both of which are zoned R-2-PD.

Grounds for Approval of the Proposed Rezoning. To assist the Planning Board and the City Council in weighing the factors outlined in Section 30-22.5 of the Zoning Ordinance to be considered in acting on a rezoning application, the following points are offered as grounds for approval of the application:

1. The proposed amendment of the Zoning District classification of the property from C-2-PD to R-2-PD will not have an adverse effect on the integrity of the General Plan. The rezoning application is linked with a General Plan Amendment application to change the land use designation of the property on the Land Use Map of the City's current General Plan from "Commercial Recreation" to "Medium Density Residential". The new zoning district designation of the property will be compatible with the new land use designation of the property in the General Plan.

2. The proposed amendment of the Zoning District classification of the property from C-2-PD to R-2-PD will, on balance, have a beneficial effect on the general welfare of the community. The new zoning of the property will become more compatible with the residential zoning of the surrounding neighborhoods than is the current commercial zoning of the property. Residential development of the property that will follow the rezoning will be of the same scale and character as those of the residential neighborhoods in the general area of the property.

3. The resulting new homes on the Packet Landing Road property will be compatible with the surrounding residential neighborhoods off Packet Landing Road, namely Center Court and Brittany Landing Harbor, both of which neighborhoods are zoned R-2-PD.

E. PROPOSED TENTATIVE SUBDIVISION MAP FOR NEW HOMES ON HARBOR BAY CLUB SITE.

Summary of the Mapping History of the Site. On February 15, 1977, the City Council approved a Tentative Map for Tract 3773 that proposed an approximately 9 acre parcel for the Harbor Bay Club

and approximately 1.3 acres lying along the San Leandro Channel for inclusion in the Shoreline Park. The Final Subdivision Map for Tract 3773 that created the approximately 9 acre parcel for the Harbor Bay Club was approved by the City Council in early 1978 and filed with the County on July 24, 1978. Parcel 1 of Tract 3773 is subject to an easement in favor of the neighboring Centre Court development that provides an open space buffer between the Centre Court homes and the tennis courts in the Harbor Bay Club. The boundary line between the Harbor Bay Club property and the Shoreline Park and provisions for public access improvements in the Shoreline Park were worked out with BCDC beginning in 1978 and set forth in an Agreement with BCDC finalized in 1981. The land in Tract 3773 lying along the Bay edge was dedicated by Harbor Bay Isle Associates to the City for inclusion in the Shoreline Park around Bay Farm Island.

Statement of Purposes of the Proposed Tentative Map. The Applicant is seeking a Tentative Subdivision Map to begin the process of subdividing the 9 acre site into 80 residential lots, private roads for interior access, and HOA common areas for open spaces and guest parking. The proposed Tentative Map will show the location and dimensions of the residential lots, the HOA common areas and pathways, the layout of the private roads, guest parking areas, utility infrastructure, easements, pathway connections to the Shoreline Park, and any special conditions along the site boundaries.

Grounds for Approval of the Proposed Tentative Map. To assist the Planning Board and the City Council in weighing the factors outlined in Section 30-78.5 of the Municipal Code to be considered in acting on a proposed Tentative Subdivision Map, the following points are offered as grounds for approval of the Tentative Map:

1. That the proposed Tentative Map meets proper standards for design and improvement and meets engineering and other standards of the City.

2. That the proposed Tentative Map presents an acceptable comprehensive plan for the planned new residential neighborhood at this site.

3. That with the approved General Plan Amendment affecting this site, the proposed Tentative Map is consistent with applicable General Plan policies and the land use designation of the property.

4. That the site is physically suitable for the proposed type of development, namely residential.

5. That the site is physically suitable for the proposed density of residential development.

6. That the design of the subdivision or the proposed development of the site as a residential neighborhood is not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

7. That the design of the subdivision or the improvements planned for the new residential neighborhood will not conflict with easements acquired by the public at large for access through or use of property within the proposed subdivision.

8. That the design of the subdivision or the type of improvements planned for the new residential neighborhood is not likely to cause serious public health problems.

F. PROPOSED AMENDMENT OF MASTER PLAN FOR HARBOR BAY ISLE.

Summary Background on the Master Plan for Harbor Bay Isle. From its inception, Harbor Bay Isle has been a master-planned community. The Master Plan for Harbor Bay Isle and subsequent revisions developed by Harbor Bay Isle Associates as the Master Developer have been considered by the City of Alameda through the years as a framework and context for consideration of applications for land use and subdivision map approvals for specific portions of Harbor Bay Isle. The last City approval of the Master Plan for Harbor Bay Isle occurred as part of the City of Alameda's approval of the Development Agreement with the Harbor Bay developers in April of 1989. The Master Plan for Harbor Bay Isle appeared as a graphic Description of the Harbor Bay Project in the Development Agreement. At that time, the Packet Landing Road parcel was designated as "Harbor Bay Club," and the adjacent property to the south now occupied by the Centre Court residential neighborhood was included in residential Village 3. The proposed change in land use of the Packet Landing Road site from the Harbor Bay Club to a residential neighborhood of new homes warrants an updating of the Master Plan for Harbor Bay Isle to designate the Packet Landing Road site as "New Homes" within residential Village 3 of Harbor Bay Isle.

Grounds for Approval of an Updated Master Plan for Harbor Bay Isle. To assist the Planning Board and the City Council in considering the requested update of the Master Plan for Harbor Bay Isle, the following points are offered as grounds for approval of the updated Master Plan for Harbor Bay Isle:

1. Re-designating the Packet Landing Road parcel as "New Homes" would not amount to a substantial amendment or revision of the Master Plan for Harbor Bay Isle since the approximately 9 acres of land is a relatively small part of the acreage of Harbor Bay Isle devoted to the Community of Harbor Bay Isle.

2. Previous amendments of the Master Plan for Harbor Bay Isle accepted by the City of Alameda and included in prior City approvals included the replacement of a proposed Commercial area on the western tip of the Bay Farm Island peninsula that was proposed to include the Community Center for Harbor Bay Isle with residential uses that are now parts of Villages 4 and 5 and a change in designation of the acreage which is now the Centre Court condominiums from lands reserved for public schools to residential use.

3. Approval of the requested update of the Master Plan for Harbor Bay Isle would facilitate the integration of the proposed new residential neighborhood on Packet Landing Road into the Community of Harbor Bay Isle Owners Association as part of Village 3 along with the adjacent Centre Court neighborhood to the south of the site and the Brittany Landing Harbor neighborhood directly across Packet Landing Road from the current Club site.

* * * *

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DATE: December 9, 2013

TO: Andrew Thomas, City Planner, City of Alameda Community Development Department
&
Julian Capata, Project Manager, Atkins Environmental

Re: **PLN13-0254: Description of Hotel and Conference Center Alternative for Packet Landing Road Site**

In response to your requests and directions, the Co-Applicants Harbor Bay Club Associates and Harbor Bay Isle Associates have arranged for the preparation of a Conceptual Site Plan and a description of program elements for an alternative development scenario of a Hotel and Conference Center on the Packet Landing Road site. The approximately 9 acre parcel located at 200 Packet Landing Road currently occupied by the Harbor Bay Club (Parcel 1 of Tract 3773) could be developed with a Hotel and Conference Center use as an alternative to development of 80 new homes on the 200 Packet Landing Road property as currently proposed by the Co-Applicants. This narrative description summarizes the elements of what could be a viable and reasonably achievable Hotel and Conference Center operation at this site, and it is offered to the City and to the environmental consulting firm that is preparing the EIR for the proposed new residential development on the 200 Packet Landing Road site and a new Harbor Bay Club on North Loop Road as an alternative to be analyzed in the EIR under the CEQA requirements for consideration of reasonable alternatives to proposed projects.

A Conceptual Site Plan has been prepared by MCG Architecture that illustrates that the property can accommodate a hotel, a conference center, a restaurant, a fitness center, outdoor athletic facilities such as a swimming pool and tennis courts, and a parking lot. Working from program ideas described below, the Conceptual Site Plan shows that a hotel with a lobby and guestrooms in separate connected lowrise buildings could accommodate 212 guestrooms of

generous size averaging 470 square feet. The proposed Conference Center in a separate but connected building could accommodate meeting rooms and common area facilities totaling 9,500 square feet. The Conceptual Site Plan also includes a 2 story restaurant building of 8,000 square feet of interior spaces for a large restaurant that can accommodate banquets and with full bar facilities. Guests attending a premier-type hotel and conference center will expect to have some athletic facilities on site, so the Conceptual Site Plan includes a fitness center of 3,000 square feet which could accommodate spa facilities, an outdoor swimming pool, and two tennis courts. The outdoor parking lot is laid out to provide 254 parking spaces. The overall site plan has ample space for patios connected to the restaurant, conference center and fitness center for outdoor seating and enjoyment and also for walking paths and landscaped open spaces.

This property has many features that clearly indicate that a Hotel and Conference Center operation could be a reasonable alternative use to residential development of this site. The property has convenient roadway connections to the nearby Metropolitan Oakland International Airport and is accessible from the major roadways without being next to a freeway or on a busy commercial street. The ample meeting spaces and supportive facilities would attract conferences with attendees coming to the site from the Oakland Airport or driving to the site from elsewhere in the Bay Area. The relatively quiet retreat-like setting would be an attractive amenity for guests and conference attendees compared to more intense and crowded urban settings. The Conceptual Plan for this Hotel and Conference Center alternative includes having high-end fine dining at the restaurant and bar building and concierge services to connect guests to professional sports events at the nearby Oakland-Alameda County Coliseum complex, to wineries in the Livermore/Tri-Valley area, and to cultural and educational institutions in Oakland and Berkeley. The location of this property within Harbor Bay Isle on Bay Farm Island would give the Hotel and Conference Center alternative the benefits of the reputation of Bay Farm Island as having relatively good public safety compared the surrounding East Bay area as a whole and place it near the City of Alameda's public Golf Complex and with convenient connections to bikeways

and pedestrian walkways in the Shoreline Park and in the common areas along the Harbor Bay Isle lagoons.

The development of a Hotel and Conference Center at this site would not require a General Plan Amendment or rezoning, since the property is designated as "Commercial Recreation" on the Land Use Map in the City's current General Plan, and the property's current zoning district classification is C-2-PD (Central Business with a Planned Development overlay). The underlying C-2 (Central Business) zoning district in the City's Zoning Ordinance lists hotels as a permitted use at Section 30-4.9.b.2(o), restaurants as a permitted use at Section 30-4.9.b.2(z), and taverns as a permitted use at Section30-4.9.b.2(bb). In the underlying C-2 zoning district, the building height limit is 8 stories, not to exceed 100 feet (at Section 30-4.9.d.2), so the proposed lowrise hotel guestroom buildings and the 2 story Conference Center, restaurant and fitness center buildings shown in the Conceptual Site Plan would fall well below the maximum building heights. In the underlying C-2 zoning district, the building coverage ratio may be up to 100% of the land (at Section 30-4.9.d.3 of the City's Zoning Ordinance), but the Conceptual Site Plan shows that the buildings would cover only portions of the property, leaving open spaces for use and enjoyment. Details of setbacks from property lines and landscaping of the open spaces for such an alternative development project would be determined though the City's normal Planned Development review and setting conditions of project approval. Also, the alternative development of a Hotel and Conference Center operation on this site would not require any Subdivision Map approvals because all the uses can be included within the single parcel.

This alternative development scenario for this property is obviously physically achievable. The existing Harbor Bay Club includes a 2 story clubhouse building with food service and a bar operation, a separate fitness center, a swimming pool, tennis courts, a parking lot, and landscaped open spaces. Utilities are already available at this site, and the alternative development scenario would not require installation or modifications of off-site utility infrastructure. Grading of the site for the development of a Hotel and Conference Center would

meet current requirements for soils stability and would provide for final elevations of the site that would reasonably take into account projected sea level rise due to global warming.

The alternative development scenario of a Hotel and Conference Center operation at this site as envisioned in the Conceptual Site plan and in the program elements summarized above would provide significant hotel occupancy tax income and sales tax income for the City of Alameda and other public agencies, which amounts to a factor that supports the consideration of this development scenario as a reasonably viable alternative.

Potential environmental impacts of such an alternative development project at this site in categories such as traffic impacts, aesthetics, compatibility with surrounding land uses, and air quality, would be analyzed in the EIR under the Alternatives section, and the EIR would suggest whether or not mitigation measures could reduce potential environmental impacts to a level of insignificance under CEQA standards. The City's decision-makers could then compare the potential environmental impacts of this alternative development scenario to the potential environmental impacts of building the 80 new homes at this site.

If you have any questions or further requirements regarding this proposed alternative development scenario that we are suggesting be analyzed in the EIR currently underway, please feel free to contact me or C. Timothy Hoppen.

Daniel F. Reidy

DANIEL F. REIDY
Attorney for Harbor Bay Isle Associates and Harbor Bay Club Associates

Cc: C. Timothy Hoppen, President, Harbor Bay Isle Associates and Harbor Bay Club Associates

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ALAMEDA, CA 94501

MEMORANDUM

DATE: December 30, 2013

TO: Andrew Thomas, City Planner, City of Alameda Community Development Department
&
Farimah Faiz, Deputy City Attorney, City of Alameda

Re: **History and Background of Developer's Plans and the City's Decisions, Approvals and Agreements Relating to the Harbor Bay Club**

PURPOSE OF THIS MEMORANDUM

This Memorandum has been prepared on behalf of Harbor Bay Isle Associates and Harbor Bay Club Associates, the Applicants on Applications for a New Harbor Bay Club on North Loop Road and a new residential neighborhood of 80 homes on Packet Landing Road. Since these Applications were filed with the City of Alameda in late August, there has been considerable interest raised about the prior City approvals and agreements with the Harbor Bay developers relating to the Harbor Bay Club and how they may affect the pending Application for redevelopment of the current Harbor Bay Club property as a new residential neighborhood to replace the Harbor Bay Club once it is closed and/or moved to another location. At the Planning Board's Scoping Session for the draft EIR that is being prepared to analyze the environmental impacts of the Applications, Planning Board members asked staff to review and analyze the prior City approvals and agreements relating to the Harbor Bay Club. The purpose of this Memorandum is to give City staff the benefit of our institutional memory about how the Harbor Bay Club came about and a summary outline of the various proposals, approvals and agreements that comprise the history and context of the development of the Harbor Bay Club.

SUMMARY OF PROPOSED FINDINGS.

Our review of the relevant documents and our memory of how the critical events unfolded resulted in the following principal findings and conclusions, which are detailed below in later sections of this Memorandum:

(1) The deletion of the Village Commons from the 1973 Harbor Bay Isle Community Master Plan, which were approximately 3 acre sized islands placed in the middle of the Harbor Bay Isle lagoon system, was driven by the discovery of significant geotechnical problems with the proposed islands in the lagoons. The decision to delete the Island Commons was made by Harbor Bay Isle Associates in 1975 and was accepted and confirmed by the City's Engineering Department. That decision was made without any connection to the development of a private commercial athletic club within Harbor Bay Isle; the concept of the Harbor Bay Club was not yet on the table for consideration.

(2) The decision to delete the Village Commons from the Harbor Bay Isle Community Master Plan was reinforced by the economic impacts of reducing the planned number of homes from 4,950 to 3,200 units in settlement of lawsuits brought in 1974 against the City of Alameda and the developer of Harbor Bay Isle by the Port of Oakland over the Port's concerns about potential interference with the Oakland Airport's expansion plans and operations if Harbor Bay Isle were fully developed as then proposed. In 1976, in more than one of its Resolutions in approving amendments to Planned Developments for Village One and Village Two as a result of the City's settlement with the Port of Oakland, the Alameda Planning Board made findings that the decision to delete the "Recreation Commons" from Villages I and II was a reasonable choice on the part of the developer in the light of economic developments that occurred since 1974.

(3) The land now occupied by the Harbor Bay Club was part of 24 acres of land owned by Harbor Bay Isle Associates reserved for public school purposes in earlier agreements among the Alameda Unified School District, the City of Alameda and the Harbor Bay Isle developer and was so designated in the 1973 Harbor Bay Isle Community Master Plan. The 9 acres of land became available for alternate development in mid-1976 when the Alameda Unified School District decided that it did not need that particular acreage for a future public school. At that time, Harbor Bay Isle Associates began to consider a private athletic club for that land since such a recreational facility would support marketing plans to attract new home buyers to Harbor Bay Isle. The private recreational club proposed for this site was not a trade-off for the deletion of the Village Commons on islands in the Harbor Bay Isle lagoons that had been proposed in the 1973 Community Master Plan.

(4) From 1976 onward, when the Planning Board and the City Council approved Planned Development and Subdivision Map applications for the new residential neighborhoods of Harbor Bay Isle, conditions of approval provided for recreational common areas and facilities to be owned and maintained by the respective homeowner associations, and these common areas were located on land within the neighborhoods, not on islands in the lagoons.

(5) When a Planned Development for the Harbor Bay Club was approved by the Alameda Planning Board in October of 1976, there was no finding that the proposed Club was a trade-off for the deletion of the Village Commons shown in the 1973 Community Master Plan. The Staff Report and the Resolution of Approval clearly acknowledged that the Club was intended to be a privately owned commercial operation and that it might be sold in the future. There were no requirements that the Club remain in place at that location forever. At the time of the initial City approvals for development of the Harbor Bay Club, there were not yet any occupied homes in Harbor Bay Isle, and most of the

initial members of the Harbor Bay Club lived elsewhere on Bay Farm Island or on the main Island of Alameda. Conditions were included to phase in future Harbor Bay Isle residents who chose to become members of the Club so that the facilities, including the parking lot, would not be overwhelmed by membership was Harbor Bay Isle built out.

(6) Some of the language in City staff reports and Resolutions appears to link the approval of the Harbor Bay Club with the deletion of the Village Commons from islands in the lagoons. However, a careful reading of those documents and an understanding of their context actually show that the City was taking seriously its responsibilities under CEQA and had to determine whether additional environmental analysis would be required on top of the A.D. Little EIR that had been certified in 1974 to consider the revised development plans for Harbor Bay Isle that resulted from the settlement of litigation with the Port of Oakland. The City determined that, on balance, the revised development plans for the residential neighborhoods and the proposed Development Plan for the Harbor Bay Club could be reviewed and approved without a new EIR or an Addendum to the A.D. Little EIR.

DETAILED REVIEW OF PLANS, APPROVALS AND AGREEMENTS RELATING TO THE HARBOR BAY CLUB.

1970 – Memorandum of Understanding Regarding Lands for Public Uses at Harbor Bay Isle. On May 4, 1970, the City of Alameda, the Alameda Unified School District and predecessor owners of the filled land that later became Harbor Bay Isle (prior to involvement of Doric Development, Inc.) executed a Memorandum of Understanding providing for the number of acres and locations of land for public uses by means of a formula based on residential densities; i.e., acres of public land determined by projected population. At that time, the proposed Harbor Bay Isle development included approximately 11,000 residential units. The

formula in this 1970 MOU later served as the basis of subsequent agreements on the amount of land to be reserved for public uses within Harbor Bay Isle.

1972 – Original Community Master Plan for Harbor Bay Isle. In 1972, Harbor Bay Isle Associates, a joint venture of Doric Development, Inc. and Utah International, submitted to the City of Alameda a Community Master Plan for Harbor Bay Isle that proposed approximately 10,000 residential units at relatively high densities as well as commercial and industrial uses. This plan was widely publicized and debated, leading to the passage of a City Charter Amendment commonly called Measure A which rendered the 1972 Community Master Plan for such residential densities infeasible. Thereafter this Community Master Plan for Harbor Bay Isle was withdrawn by its developer sponsor.

1973 – Revised Harbor Bay Isle Community Master Plan. In 1973, Harbor Bay Isle Associates submitted to the City a revised Harbor Bay Isle Community Master Plan, of which 640 acres would be a residential-oriented planned community with supportive institutional and commercial facilities. The 1973 Harbor Bay Isle Community Master Plan was designed to include a maximum of 4,950 dwelling units that would conform to the limitations imposed by the Charter Amendment known as Measure A. A total of five residential villages were planned, each village to consist of approximately 7 to 9 neighborhoods, each with 100 to 120 homes and 230 residents, or a total of approximately 1,000 homes per village. The proposed zoning district designation for the residential areas was R-2-PD. The 1973 Harbor Bay Isle Community Master Plan included a marina complex out at the westerly end of the Bay Farm Island Peninsula that was planned to include a clubhouse, restaurants, community center, and commercial retail shops. The land currently occupied by the Harbor Bay Club was part of 24 acres reserved for public schools. In the 1973 Harbor Bay Isle Community Master Plan, each village was envisioned to have a Village Commons located on an island in the lagoon system, each approximately 3 acres in size, intended to include a community building and recreational facilities such as a swimming

pool, playground, and tennis courts, and each of the individual neighborhoods in a Village was envisioned to also have neighborhood common areas for recreation.

1973 – 1974: The A.D. Little Environmental Impact Report (EIR). The 1973 Harbor Bay Isle Community Master Plan was analyzed in an Environmental Impact Report prepared by A. D. Little, with the draft EIR dated November 21, 1973, and comments added for the Final EIR in early 1974. The A. D. Little EIR for the development of Harbor Bay Isle was certified as complete and in conformance with the California Environmental Quality Act (CEQA) by the Alameda City Council in April of 1974.

1974 – First Planned Development Application under the 1973 Community Master Plan. In early 1974, Harbor Bay Isle Associates filed a Planned Development application for two neighborhoods of Village One, the first increment of the proposed development plan for Harbor Bay Isle. PD No. 74-1 was approved by the Planning Board on June 17, 1974 in **Planning Board Resolution No. 812**. The Planned Development for Village One was described in the Resolution as low intensity residential development, and one of the findings in the Resolution is that recreation facilities are provided which combine the need for drainage with water recreation facilities. This Application included an approximately 3 acre sized island in the middle of the Harbor Bay Isle lagoon meandering through Village One identified as the Commons for Village One.

1974-1976: Litigation with the Port of Oakland Over Land Use Relationships of Harbor Bay Isle with the Oakland Airport and Settlement of the Litigation. The initial filings for land use approvals for Planned Developments in the residential portions of Harbor Bay Isle in 1974 to implement development concepts proposed in the 1973 Harbor Bay Isle Community Master Plan triggered litigation brought by the Port of Oakland as operator of the Metropolitan Oakland International Airport against the City of Alameda and Harbor Bay Isle Associates over

compatibility of the Harbor Bay Isle Community Master Plan and its proposed residential developments with the Oakland Airport and aircraft operations in and out of the Airport. During a two year period of litigation, the City continued to process the Planned Development applications for Neighborhoods One and Two in Village One and issued all necessary approvals for a complex of model homes in Neighborhood Two of Village One. The City of Alameda and Harbor Bay Isle Associates worked out a schedule for the construction of Island Drive, but other aspects of the Harbor Bay Isle development were held in abeyance pending the outcome of the litigation. A combined settlement of four separate lawsuits pending in the Superior Courts of Alameda County and San Francisco County was tentatively reached in late 1975 and finalized and signed on July 21, 1976. The parties accepted an agreed-upon location of the 65 CNEL line through the Harbor Bay Isle development and agreed that residential construction on the south side of that line, namely the homes proposed for Village Five, would be delayed until the aircraft-related noise environment improved to certain defined acceptable levels that could accommodate homes in Village 5 with a relocated 65 CNEL line. Harbor Bay Isle Associates agreed to accept a maximum of 3,200 homes within Harbor Bay Isle, and the City of Alameda and the Port of Oakland agreed that they would not object to the development of up to 3,200 homes in Harbor Bay Isle.

1975: Findings from Geotechnical Studies of the Lagoons System. By 1974, Harbor Bay Isle Associates had installed a test section of the proposed lagoon system to evaluate the functional requirements of the lagoon system as a stormwater drainage facility using tidal waters from the Bay and also to understand any geotechnical engineering problems or constraints for the proposed lagoon system, including the relatively high groundwater table under the surface of land on Harbor Bay Isle. The geotechnical engineering studies found that there would be significant structural problems involved in constructing relatively small islands in the lagoons with bridges required for access, with facilities planned for the island commons such as community center buildings, tennis courts and swimming pools, and the need to provide water,

sewer, and power infrastructure to serve the types of recreational facilities and programs expected on these little islands. With significant geotechnical constraints to overcome, the initially planned Village Commons on islands in the lagoon system were determined to be infeasible, and that determination was accepted and confirmed by the City's Engineering Department.

1975 –Early 1976: Further Revised Harbor Bay Isle Community Master Plan. While the litigation with the Port of Oakland was still pending, Harbor Bay Isle Associates was working on a further revised Harbor Bay Isle Community Master Plan which scaled down the number of residential units and also scaled down or revised some of the other elements of the 1973 Harbor Bay Isle Community Master Plan. This updated Community Master Plan was a framework providing for the orderly development of a 915 acre planned community, containing a balance of residential, commercial and industrial uses. The proposed residential community would contain 3,200 homes organized into 5 Villages. The reduction in the permitted total number of homes by 1,750 units from 4,950 to 3,200 units, which represents more than a 35% reduction in the number of homes that could have been built under the 1973 Harbor Bay Isle Community Master Plan, amounted to a very significant change in what had been the Master Plan for Harbor Bay Isle.

At this point in the development planning for Harbor Bay Isle, plans for community-serving facilities, such as schools and parks and retail shopping, were at a very preliminary stage. The Plan included a "Marketplace" shopping center at Island Drive and MeCartney Road and a marina, plus a shopping center and a community center, out at the western tip of Harbor Bay Isle. Village and neighborhood common areas were envisioned to be located on the land; the earlier concept of Village Commons on islands in the lagoon system had been dropped. Also, there were no plans in the 1975 - Early1976 Community Master Plan for Harbor Bay Isle for a private Harbor Bay Isle athletic club at its current location. That land was still reserved for public school purposes.

Mid-1976 – Site for the Harbor Bay Club Becomes Available. Prior agreements among the Alameda Unified School District, the City of Alameda and Harbor Bay Isle Associates provided for the reservation of approximately 24 acres of land along Packet Landing Road and extending southerly from the Bay Farm Island Bridge for future public schools on Bay Farm Island. In mid-1976, the Alameda Unified School District decided that it did not need approximately 9 acres of Harbor Bay Isle Associates' land nearest the Bay Farm Island Bridge for a future public school, and as a result that property became available for an alternate use. Harbor Bay Isle Associates began to consider whether a private commercial athletic and fitness club would be an appropriate and viable use of that portion of the land it owned. It was obvious that such a recreational facility would support the Developer's marketing plans to attract new home buyers to Harbor Bay Isle.

October 1976 – City Council Determination on Environmental Requirements for Processing Pending Development Applications for Harbor Bay Isle. In anticipation of having to make environmental coverage determinations for pending applications for development approvals for portions of Harbor Bay Isle under the updated Harbor Bay Isle Community Master Plan once the 2 years of litigation was ended by the Settlement Agreement reached in July of 1976, the Alameda City Council on October 6, 1976 in **City Council Resolution No. 8593** determined that the A. D. Little EIR certified in April of 1974 was adequate to cover the revised and current Harbor Bay Isle "ultimate project description," which was a phrase adapted from CEQA as a reference to the updated Harbor Bay Isle Community Master Plan. Two of the changes to the 1973 Harbor Bay Isle Community Master Plan noted in the Resolution's comparative analysis are: "Deletion of the 3 acre Village Commons Recreation Centers (ADL, II-10), and substitution of the Harbor Bay Isle Club on a 10.3 acre site (9 acres dry land) near Bay Farm Island Bridge and San Leandro Channel" and "Substitution of optional membership in Harbor Bay Isle Club for mandatory membership in Village Commons

Recreation Centers." The Resolution stated as a finding that the relocation of the recreation center and additional uses of that facility are within the total impacts described in the A. D. Little Environmental Impact Report and that additional mitigation steps may be required for local problems when the planned development for the recreation area is considered for approval (Finding # 5). Clearly the principal intent of this Resolution was to explain the City Council's determination that no additional environmental analysis, such as an additional EIR or an Addendum to the A.D. Little EIR, would be required under CEQA before the Planning Board or the City Council could consider making approval decisions on any of the then-currently proposed development plans for portions of Harbor Bay Isle, and that the proposed development of a private athletic club would provide a balance of environmental impacts associated with the deletion of the Village Commons from the 1973 Harbor Bay Isle Community Master Plan. This Resolution on its face did not require the proposed new private athletic club as a condition for deleting the island commons with recreational facilities from the 1973 Harbor Bay Isle Community Master Plan.

October 1976 – Amendment of Planned Development for Village One. If Village One would have been built out as part of the 1973 Harbor Bay Isle Community Master Plan as initially proposed and approved in 1974 as PD-74-1 before the litigation settlement with the Port of Oakland, Village One would have absorbed nearly 1,000 of the 3,200 total homes for all of Harbor Bay Isle allowed after the litigation settlement. On October 18, 1976, PD-74-1 for Village One was amended by the Planning Board in Planned Development Amendment No. 76-8 in **Planning Board Resolution No. 907**. One of the findings in the Resolution was: "The decision to delete the "Recreation Commons" from Village I is a reasonable choice on the part of the developer in the light of economic developments since PD 74-1 was approved." (Finding No. 7). Condition No. 14 provided: "That each neighborhood in Village I will have at least 4 acres of common open space and recreation amenities owned and managed by the neighborhood

Homeowners Association." There were no findings or conditions in this Resolution referring to the Harbor Bay Club.

October 1976 – Amendment of Planned Development for Village Two. A Planned Development for the development of Village Two as part of the 1973 Harbor Bay Isle Community Master Plan had been approved by the Planning Board on March 3, 1975 as PD-74-3 but had been held in abeyance due to litigation with the Port of Oakland. As part of implementing the settlement of the litigation with the Port of Oakland, Harbor Bay Isle Associates applied for an amendment of PD-74-3 for Village Two that reduced the number of proposed homes and referenced the deletion of the Village Commons from that part of Harbor Bay Isle. On October 18, 1976, the requested Planned Development Amendment No. 76-9 was approved by the Planning Board in **Planning Board Resolution No. 908**. One of the findings in the Resolution was: "The decision to delete the "Recreation Commons" from Village I, which was to take in all Village II homeowners through mandatory memberships, is a reasonable choice on the part of the Developer in the light of economic developments since PD 74-1 and 74-3 were approved." (Finding No. 6). One of the conditions of approval provided: "That Village II residents who previously were to utilize the recreation center in Village I will have a right to membership in the Harbor Bay Club, if approved." (Condition No. 32).

Recreational Common Areas in the Neighborhoods of Harbor Bay Isle. Harbor Bay Isle Associates' first residential development, Baywood Village, provided a swimming pool and other recreational facilities on common areas owned and managed by the Baywood Village Homeowners Association for its resident members, and the members funded the costs of operation and maintenance of these recreational facilities as part of their Homeowners Association dues. As Harbor Bay Isle built out, other Merchant Builders of residential neighborhoods included common areas with recreational facilities for the resident members of their respective Homeowner Associations, and the various builders made their own

determinations on the size and location of common areas and recreational facilities. The recreational common areas proposed for the various new neighborhoods as they came on line for development were reviewed and approved by the City when processing Final Development Plan and Design Review applications for the respective residential developments.

October 1976 – Approval of Planned Development for the Harbor Bay Club on Packet Landing Road. After the Alameda Unified School District decided in mid-1976 that it did not need the approximately 9 acres of Harbor Bay Isle Associates' land on the eastern side of the terminus of Packet Landing Road near the Bay Farm Island Bridge for a future public school, Harbor Bay Isle Associates prepared and filed a Planned Development application for a private commercial health and fitness club for that property. On October 18, 1976, the Planning Board approved Planned Development 76-10 for the Harbor Bay Club by **Planning Board Resolution No. 909**. In the Resolution the Planning Board made findings as the basis of the approval, including that the proposed Planned Development is consistent with the adopted General Plan of the City (Finding # 1), that it meets certain requirements of the City's Zoning Ordinance (Finding # 2), that PD controls will promote a comprehensively planned recreational center that is compatible with the entire Harbor Bay Isle Project (Finding # 3), that it will not have significant adverse effects on adjacent land uses (Finding # 4), and that impacts of automobile traffic will be adequately mitigated. The Resolution contained nine conditions of approval, of which five related to requirements for Club operations, such as restrictions on night lighting, use of bicycles, provisions for public access improvements along the Bay edge, and parking. The other four conditions related to management of the Club as an amenity for Harbor Bay Isle residents, including a requirement to submit details whereby outside members will be phased out in favor of Harbor Bay Isle residents (Condition # 1), that the management of the Club will make a commitment on the ceiling of possible monthly dues increases for the first two years of membership (Condition # 2), that the number of memberships will not exceed 1,200 family

memberships and 200 junior memberships (Condition #3), and that facilities would be provided at the Club at no or nominal cost to the Homeowners Associations for meetings (Condition # 9).

In the **September 29, 1976 Planning Staff Report** for the Planning Board public hearing on the original Planned Development for the Harbor Bay Club, among the Planning Policy Considerations listed by Planning staff was an acknowledgment that the Harbor Bay Club is conceived of as a private club with members paying membership dues, and that the initial management program might not continue on a long term basis as originally established: "***Harbor Bay Isle Associates should specify their intentions regarding ownership of the Club or possible sale at some future date***." (Emphasis added). Another Planning Policy Consideration was that Harbor Bay Isle residents would have the choice of becoming or not becoming members of the private Harbor Bay Club rather than being required to be members of the Village Commons that were part of the 1973 Harbor Bay Isle Community Master Plan, and that under that earlier Community Master Plan, "Village homeowners would have been required to be members of what amounts to private clubs on a smaller scale that the proposed single facility."

It is important to understand the context of the conditions imposed by the City related to memberships in the Harbor Bay Club. At the time of the City's review of the initial applications for land use approvals and permits for development of the Harbor Bay Club, there were not yet any occupied new homes in Harbor Bay Isle, and when the Club was eventually built, there were still only very few residents in new homes in Harbor Bay Isle. Most of the initial members of the Harbor Bay Club lived elsewhere on Bay Farm Island or on the main island of Alameda, and City staff's concerns were focused on projected traffic impacts of the Club and the sufficiency of the number of parking spaces in the planned parking lot with an eye on future Harbor Bay Isle residents desiring to become members of the Harbor Bay Club.

December 1976 – Rezoning of the Harbor Bay Club Property to C-2-PD. From 1958 until the time of the litigation with the Port of Oakland over the development of Harbor Bay Isle, the land that later was developed as the Harbor Bay Club was zoned C-2-PD (Commercial Business, Planned Development District). As part of implementing the settlement with the Port of Oakland, the City placed an interim blanket R-1-PD zoning designation over all the land planned for residential development and also for the land designated for supporting uses such as schools, on the understanding that zoning re-designations of portions of Harbor Bay Isle may be appropriate in the future. Following on the Planning Board's approval of a Planned Development application for the Harbor Bay Club and recommendation to the City Council for rezoning, the City Council On December 8, 1976, the Alameda City Council by **Ordinance No. 1834** reclassified and rezoned Harbor Bay Isle Associates' parcel on Packet Landing Road near the Bay Farm Island Bridge from R-1-PD (Single Family Residential, Planned Development District) to C-2-PD (Commercial Business, Planned Development District). The underlying zoning district of Commercial Business would allow for the construction and operation of a commercial health and fitness club on the property, including one with snack bars, a restaurant, and a bar serving liquor to customers.

July 1977 – Planning Board Determination on Environmental Requirements for Processing Development Applications for Tract 3810 (Villages Three and Four and Part of Village One). Because of pending applications for a master Planned Development and Tentative Map for the build-out of Village Three and Village Four that did not include an extension of the lagoon system or Village Commons on islands in the lagoon system as proposed for this portion of Harbor Bay Isle in the 1973 Community Master Plan, the Planning Board in **Planning Board Resolution No. 934** passed on July 14, 1977 made a determination that the certified A.D. Little EIR was adequate under CEQA to cover "the current ultimate project description for Harbor Bay Isle, with special attention to the Planned Development and Tentative Map applications for Tract 3810." Included among the findings made by the Planning Board are an acknowledgment of

"changes in population predictions for 3,200 maximum dwelling units" (in Finding # 2), "That changes in the lagoon system do not include substantial environmental impacts not covered in the A.D. Little EIR," (Finding # 3), and "That modification in school or park acreage reflect modifications in population predictions, an ongoing process acknowledged in the A.D. Little EIR." (Finding # 4).

December 1977 – HBIA and City of Alameda Settlement Agreement on Public Lands Obligations. On December 5, 1977, the City of Alameda and Harbor Bay Isle Associates entered into a Settlement Agreement on public lands dedication obligations for the build-out of the Harbor Bay Isle development. By that point in time, other agreements were in place providing that the proposed Harbor Bay Isle development would not have more than 3,200 residential units. Applying the formula based on residential densities originally agreed upon in the May 4, 1970 Memorandum of Understanding with the Alameda Unified School District to the 3,200 residential units, this 1977 Settlement Agreement provided that the Harbor Bay Isle development project should contain 40 acres of public lands for the City, the School District, and other public agencies, with the City to make the allocations of land among the public uses. In this Settlement Agreement, there is no mention of any understanding that the public lands obligations on the developers of Harbor Bay Isle were reduced from levels in prior agreements because the proposed private commercial Harbor Bay Club would provide private recreational facilities and private open space.

May 1978 – First Planned Development Amendment for the Harbor Bay Club. In 1978, Harbor Bay Isle Associates filed an application for an amendment to the original Planned Development for the Harbor Bay Club in order to delete certain facilities and to add tennis courts, a Recreation Building with racquetball courts, a gym/studio, and other supporting facilities to those facilities that had originally been approved in 1976. On May 15, 1978, the Planning Board approved PD Amendment 78-4 in **Planning Board Resolution No. 972**.

Among the Planning Board's findings were "The amendment conforms to the approved Master Plan of Harbor Bay Isle" (Finding # 4), and "The change is one of orientation from a general recreation facility to tennis facility and does not lessen the function of the Recreation Club within the community." (Finding # 6).

1977 - July 1978: Processing a Parcel Map for Tract 3773. On February 15, 1977, the City Council approved a Tentative Map for Tract 3773 that provided an approximately 9 acre parcel for the Harbor Bay Club and approximately 1.3 acres lying along the San Leandro channel for inclusion in the City's Shoreline Park. The finalized Parcel Map for Tract 3773 was approved by the City Council in early 1978 and filed in the Official Records of Alameda County on July 24, 1978.

1978 - 1979: Emergence of the Centre Court Development. As noted above, prior agreements among the Alameda Unified School District, the City of Alameda and Harbor Bay Isle Associates provided for the reservation of approximately 24 acres of land along Packet Landing Road and extending southerly from the Bay Farm Island Bridge for future public schools on Bay Farm Island. Similar to what happened earlier with the land that became the current Harbor Bay Club, the Alameda Unified School District in 1978 decided that it did not need 9 acres of Harbor Bay Isle Associates' land situated between the Harbor Bay Club parcel and Amelia Earhart School for a future public school, and as a result that property became available for an alternate use. This 9 acre parcel, which previously had been reserved for a public school use in the Tentative Map for Tract 3773, was reclassified for residential use in the Final Map for Tract 3773 approved by the City Council in July of 1978.

This 9 acre parcel had been designated as a future public school site in the earlier Community Master Plans for Harbor Bay Isle and had not been included within residential Village Three of the Community of Harbor Bay Isle, but when the Planned Development

application for the Centre Court condominiums development project was approved by the City in 1979 and when the site was eventually occupied by residents, this area was annexed into residential Village Three of the Community of Harbor Bay Isle.

1979 – City of Alameda Adopts a New General Plan. In 1979, the City of Alameda approved a Combined Land Use Plan (CLUP) that had been in the making for more than 2 years. In describing the Harbor Bay Isle development, the CLUP outlined the history of prior land use plans for Harbor Bay Isle and the litigation with the Port of Oakland. Regarding the Harbor Bay Isle Club, the CLUP noted that: "A private recreational center is planned for a site at the northeast corner of the HBI project on the San Leandro Channel westerly of Old Maitland Drive" and that the Planned Development application and the subdivision map have been approved by the City. The initial planned facilities for the athletic club are described, and there is a statement that the City required the provision of public access along the Bay edge, including a pedestrian path and a bike path. There are no policy statements or equivalent language in the CLUP that the Harbor Bay Club was required as a trade-off for the downsizing of community common areas and recreational facilities initially proposed in the 1973 Community Master Plan for Harbor Bay Isle after the number of permitted housing units was reduced in settlement of litigation with the Port of Oakland or that the private athletic club was tied to development of residential neighborhoods.

October 1982 – Second Planned Development Amendment for the Harbor Bay Club. In September of 1982, Harbor Bay Isle Associates filed an application for another amendment to the original Planned Development for the Harbor Bay Club in order to construct a fitness center and a child care center in place of earlier proposed and City-approved plans for additional swimming facilities and a teen center. On October 13, 1982, the Planning Board approved PD Amendment PDA-82-6 in **Planning Board Resolution No. 1281**. Among the Planning Board's findings were: "There is an apparent community need for an interest in providing the proposed

facilities" (Finding # 2), and "The facilities will encompass recreation and fitness programs which were anticipated at the time of approval of the original Planned Development project (Finding # 3).

April 1989 – HBI Development Agreement. On April 4, 1989, the City of Alameda, Harbor Bay Isle Associates and two of its residential developer affiliates, Harbor Bay Village Four Associates and Harbor Bay Village Five Associates, entered into a Development Agreement to guide the build-out of the remaining parcels of land in Harbor Bay Isle. The Development Agreement acknowledged that Harbor Bay Isle Associates had the right to build up to a total of 3,200 residential units in Harbor Bay Isle and to complete development of the Business Park with uses permitted under the CM-PD zoning district. One of the acknowledged purposes of the Development Agreement was to clarify and implement the requirements and conditions of the December 1977 Settlement Agreement on public lands obligations. Pursuant to the December 1977 Settlement Agreement on public lands obligations, 3,200 residential units would require a total of 40 acres for public uses in Harbor Bay Isle. By 1980, Harbor Bay Isle Associates has deeded 28 acres of land to the City for public use: 14 acres along the shoreline edges of Village Three and Village Four for inclusion in the planned Shoreline Park, 8 acres for the Amelia Earhart public school site, and 6 acres for a public City park at Island Drive and McCartney. Subsequently, in the early 1980's, Harbor Bay Isle Associates dedicated a 1.3 acre parcel in Tract 3773 along the Harbor Bay Club to the City for inclusion in the Shoreline Park. In the 1989 Development Agreement, Harbor Bay Isle Associates agreed to dedicate to the City approximately 12 acres along the shoreline of Tract 4500 (Village 5 and the Business Park) for inclusion in the Shoreline Park, 1 acre for the Bay Farm Island Fire Station, 4 acres for another City park in Village 4, and 8 acres for a public school site in Village 4. All of these actions resulted in a total of 54.3 acres dedicated for public uses, which amounts to 26.3 acres more land for public uses than had been agreed to between the City and Harbor Bay Isle Associates in the Settlement Agreement reached in December 1977.

April 1991 – Third Planned Development Amendment for the Harbor Bay Club. In 1990, Harbor Bay Isle Associates filed an application for another amendment to the original Planned Development for the Harbor Bay Club to allow expansion of the fitness center, child care and food/beverage facilities by approximately 10,000 square feet. On April 8, 1991, the Planning Board approved PD Amendment PDA-90-26 in **Planning Board Resolution No. 2134**. Among the Planning Board's findings was "The purpose of the Harbor Bay Club is and shall continue to be to provide quality recreation facilities for the residents of the Harbor Bay Isle residential development" (Finding # 6). The stated purpose of this Resolution was: "This Resolution shall supersede Resolutions Nos. 909, 972, and 1281 relating to PD-76-10." (Condition # 1). In addition to requirements for construction of proposed new facilities and relating to operations of the Club, three of the conditions revisited the conditions in the original Planned Development approval for PD-76-10 relating to management of the Club as an amenity for Harbor Bay Isle residents, namely that the number of memberships will not exceed 1,200 family memberships and 200 junior memberships (Condition # 4),that the club shall continue the policy which allows Harbor Bay Isle residents to replace existing non-Harbor Bay Isle residents as members (Condition # 5), and that the club shall continue the policy by which facilities are provided at the Harbor Bay Isle Club at no or nominal cost to Homeowners' Associations for meetings until the proposed facilities for the Harbor Bay Isle Homeowners' Association at the Community Center site at Harbor Bay Landing are made available (Condition #6).

Prior Planning for a New Harbor Bay Clnb at Another Location. The concept of developing a new Harbor Bay Club at another location is not a new subject. For more than 10 years, Harbor Bay Club Associates and Harbor Bay Isle Associates have been working on developing a new Harbor Bay Club at some other location, because it had become obvious that the Club with its current recreational facilities was not sustainable at its current location, and replacement recreational facilities at the current site were not reasonably viable with the Club still in

operation. Plans for a new Harbor Bay Club have been prepared for a number of potential sites in the Harbor Bay Business Park and also as part of proposed development plans on a portion of the City's Golf Complex when a land swap with Harbor Bay Isle Associates for a new public park in the Business Park was under consideration, but none of these potential plans came to fruition. Throughout this extended time period, these plans for a new Harbor Bay Club at another location were accompanied by studies for redevelopment of the current Club site with residential units after the existing Club operations would be closed down.

SUMMARY CONCLUSION

The Harbor Bay Club was not part of the evolving Harbor Bay Isle Community Master Plans unveiled originally in 1972, refined in 1973, and updated in 1975 and early 1976. When a parcel of Harbor Bay Isle Associates' property previously reserved for public school purposes in the earlier Community Master Plans and School District agreements with the City of Alameda and Harbor Bay Isle Associates became available for development in mid-1976 because the Alameda Unified School District decided that it did not need that particular parcel for a public school, the idea of a private commercial health and fitness club in Harbor Bay Isle emerged. The proposed Harbor Bay Club was an addition to what had been proposed in the prior Community Master Plans for the residential areas of Harbor Bay Isle, not a trade-off for deleting the concept of Village Commons on islands in the lagoon system.

Some of the language in City Staff Reports and Resolutions of approval for the Harbor Bay Club appears to link the designation of land for the Harbor Bay Club with the deletion of the Village Commons concept from the earlier Community of Harbor Bay Isle Master Plans. However, such statements need to be understood in their proper context. Initially, the City needed to determine whether or not additional environmental review beyond the A.D. Little EIR certified in 1974 would be necessary to satisfy CEQA's threshold requirements when

considering land use applications for the Harbor Bay Club. The City Council in October of 1976 determined that the deletion of the recreational commons from the residential villages and the addition of a private recreational club out at the northeast corner of the Harbor Bay Isle property on balance did not amount to significant adverse environmental impacts that warranted additional environmental review under CEQA.

The decision by Harbor Bay Isle Associates to delete the Village Commons from the Community of Harbor Bay Isle Master Plan was actually driven by the discovery of significant geotechnical problems with the proposed islands in the middle of the lagoon system. That decision was reached by Harbor Bay Isle Associates in 1975 and accepted and confirmed by the City's Engineering Department, before the time when the concept of a private athletic club to be placed on land freed-up by a mid-1976 decision of the Alameda Unified School Board came along. Also, the decision to delete the Village Commons was reinforced by the economic impacts of reducing the planned number of homes that could be built by over 35% in settlement of litigation with the Port of Oakland, and the Planning Board more than once acknowledged that the decision to delete the "Recreation Commons" from the Villages was a reasonable choice on the part of the developer in the light of economic developments since 1974 when the Planned Developments for Village One and Village Two which included the Village Commons were initially approved.

The Planning Board's Resolutions approving the original Planned Development and subsequent Planned Development Amendments contained conditions relating to management of the Harbor Bay Club as an amenity for Harbor Bay Isle residents who would choose to become dues-paying members of this private commercial facility in addition to having recreational facilities and open space on common areas owned and managed by the neighborhood homeowner associations in the respective Villages funded by mandatory homeowner association dues assessed on the homeowners. However, there are no planning policies or conditions of

approval specified in the City's review and approval documents for the Harbor Bay Club that require that the Harbor Bay Club remain in place at its current location forever. The Harbor Bay Club can continue to provide quality recreation facilities for its members, including residents of Harbor Bay Isle, at a different location within Harbor Bay Isle.

We hope that the above summary outline of the various proposals, approvals and agreements that comprise the history and context of the development of the Harbor Bay Club will be useful to City staff.

Sincerely,

Daniel F. Reidy

Daniel F. Reidy
Attorney for Harbor Bay Isle Associates and Harbor Bay Club Associates

cc: C. Timothy Hoppen, President, Harbor Bay Isle Associates and Harbor Bay Club Associates