



BAYWEST

DEVELOPMENT

Re: Council Referral 2016-2539 - Consider Directing the City Manager to Revise the Mixed-Use Zoning Designation and Related Policies to Aid Retention of Beneficial Commercial Uses Citywide

Mayor Spencer and City Council:

On behalf of Pacific Shops, Inc., owner of Alameda Marina, I invite each of you to visit us at 1815 Clement Avenue, to discover the Marina today and to learn more about our collaboration with the Svendsen family to create a mixed-use community in the future.

We are sensitive to the needs of our existing tenants, some of whom own and operate maritime businesses. As we look to strike a balance between maritime, small business, and residential uses, we have been conducting a series of meetings to better understand the needs of our tenants.

Today, the Marina is home to approximately 250,000 square-feet of commercial space, including 99,000 square-feet of maritime uses (half of this is occupied by Svendsen's Boat Works and another third is utilized by DOER, both of which have inefficient layouts). Our plans will dedicate approximately 75,000 square-feet to maritime businesses and seek to retain the maritime jobs at the site, including some existing businesses. Additionally, we will maintain a similarly large Marina accommodating owners of modest size boats.

Our Tidelands Lease Agreement with the City calls for ongoing reinvestment of capital to repair and restore the Marina, including conditions to make an initial \$10 Million investment by 2020. The lease extension and financial investment cannot be sustained under the current business model at the Marina. Working within the current zoning for the property, a mixed-use development project is the only financially viable plan to restore and redevelop the property.

Under the current zoning, which calls for a mix of uses to balance commercial business with residential, we are able to fund the revitalization of the property into a Marina of this century, one that honors its maritime past, generates jobs and housing, and provides for public amenities for the greater community.

Sincerely,

Bill Poland
Chairman and shareholder of Pacific Shops, Inc.