

Alameda Reuse and Redevelopment Authority

Memorandum

To: Honorable Chair and
Members of the Alameda Reuse and Redevelopment Authority

From: Ann Marie Gallant
Interim Executive Director

Date: September 1, 2010

Re: Adopt a Resolution Supporting the United States Navy's Transfer of 549
Acres of the Former Naval Air Station in the City of Alameda to the
United States Department of Veterans Affairs for the Development of an
Out-Patient Clinic and Columbarium

BACKGROUND

In October 2006, the Department of Veterans Affairs (VA) formally requested from the United States Navy (Navy) the land transfer of 549 acres of the former Naval Air Station in the City of Alameda (NAS Alameda) under the Base Reuse and Realignment Act for the development of an out-patient clinic and columbarium. The VA's proposed site plan contemplates a two-story 158,000-square-foot outpatient clinic, a 70-acre columbarium, a wildlife refuge for the endangered California Least Tern, and undeveloped parcels, including Installation Restoration Sites 2 and 33 (VA Project) (Attachment 1). The VA held a public forum as part of their environmental review process in compliance with the National Environmental Policy Act (NEPA) on December 18, 2008, as well as made a public presentation about their proposed project to the Alameda Reuse and Redevelopment Authority board (ARRA) on January 7, 2009.

At the July 7, 2010 ARRA meeting, the ARRA requested additional information concerning the VA transfer and related agreements in response to a May 25, 2010 letter from the Navy (Attachment 2). The Navy provided this additional information, including highlights of the Navy and VA's negotiated agreements and key milestones required to complete the transfer of the VA (Attachment 3). As outlined in this document, the Navy and VA negotiated a Memorandum of Understanding, which is summarized as follows:

- The Navy will transfer 549 acres of the former NAS Alameda property to the VA as a no-cost federal-to-federal transfer.
- The Navy will be responsible for environmental clean-up until completion of remedial actions.

- The VA will be responsible for ongoing operations and monitoring of the environmental clean-up to determine that the remedial action is performing successfully.
- The VA will comply with any land use restrictions required as a result of the remedial decision process.

The key milestones for completion of the transfer of the property to the VA include the following:

- Completion of consultation in compliance with Section 7 of the Endangered Species Act.
- Completion of an Environmental Assessment (EA) in accordance with NEPA.
- Execution of transfer documentation between the Navy and VA upon completion of the Section 7 consultation process and the EA.

These milestones are expected to be complete by the end of 2011.

DISCUSSION

Staff recommends adopting a resolution supporting the VA Project because of the benefits it will provide to the City and the greater community of veterans in the San Francisco Bay Area. These benefits include:

- Consolidating a broad range of services for veterans at a single site to help ensure the provision of efficient and effective health care services for veterans;
- Serving approximately 7,000 veterans who will seek much-needed health care at the out-patient clinic;
- Providing land for the future interment needs of 310,000 veterans living in the San Francisco Bay Area at the proposed columbarium, including a memorial walk for families and friends of the deceased;
- Creating local construction and permanent jobs;
- Positively affecting local businesses and City revenues;
- Developing new facilities that can be integrated into, and create momentum for, the future planning and redevelopment of the remainder of the former NAS Alameda property; and

- Paying homage to the military history of NAS Alameda, including to the veterans who served at the former Navy base.

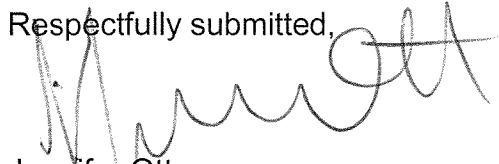
FINANCIAL IMPACT

There is no financial impact as a result of this action.

RECOMMENDATION

Adopt a Resolution supporting the United States Navy's transfer of 549 acres of the former Naval Air Station in the City of Alameda to the United States Department of Veterans Affairs for the development of an out-patient clinic and columbarium.

Respectfully submitted,



Jennifer Ott
Deputy City Manager

JO:dl

Attachment:

1. Department of Veterans Affairs Preferred Site Concept
2. Letter from the Department of the Navy, dated May 25, 2010
3. Additional Information as Requested by ARRA regarding Proposed Navy Transfer to Department of Veterans Affairs Provided by the Navy, dated July 13, 2010

ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY
RESOLUTION NO. _____

SUPPORTING THE UNITED STATES NAVY'S TRANSFER OF 549 ACRES OF
FORMER NAVAL AIR STATION IN THE CITY OF ALAMEDA TO THE UNITED
STATES DEPARTMENT OF VETERANS AFFAIRS FOR THE DEVELOPMENT
OF AN OUT-PATIENT CLINIC AND COLUMBARIUM

Whereas, the United States Department of Veterans Affairs (VA) seeks to obtain 549 acres of former Alameda Naval Air Station (NAS Alameda) property in the City of Alameda under the Base Realignment and Closure Act from the United States Navy (Navy) for the construction and operation a 158,000 square-foot out-patient clinic for veterans (OPC) and a 70-acre Columbarium to entomb cremations of America's veterans (VA Project); and

Whereas, the VA's mission is to care for and serve all veterans of the United States military services, including those that reside in the City of Alameda and in the greater San Francisco Bay Area; and

Whereas, the VA Project will consolidate a broad range of services for veterans at a single site at the former NAS Alameda Point to help ensure the provision of efficient and effective health care services for veterans; and

Whereas, there are over 51,000 veterans that reside in the County of Alameda, of which approximately 7,000 are expected to seek much-needed health care at the OPC; and

Whereas, there are 310,000 veterans living in the San Francisco Bay Area that will create a significant future need for land for internment to be provided by the VA's National Cemetery Administration at the proposed Columbarium; and

Whereas, the VA Project will create local construction and permanent jobs and have a positive impact on local businesses and City of Alameda revenues; and

Whereas, the City of Alameda will work closely with the VA to integrate the VA Project into the future planning and redevelopment of the remainder of the former NAS Alameda property and into the larger Alameda community; and

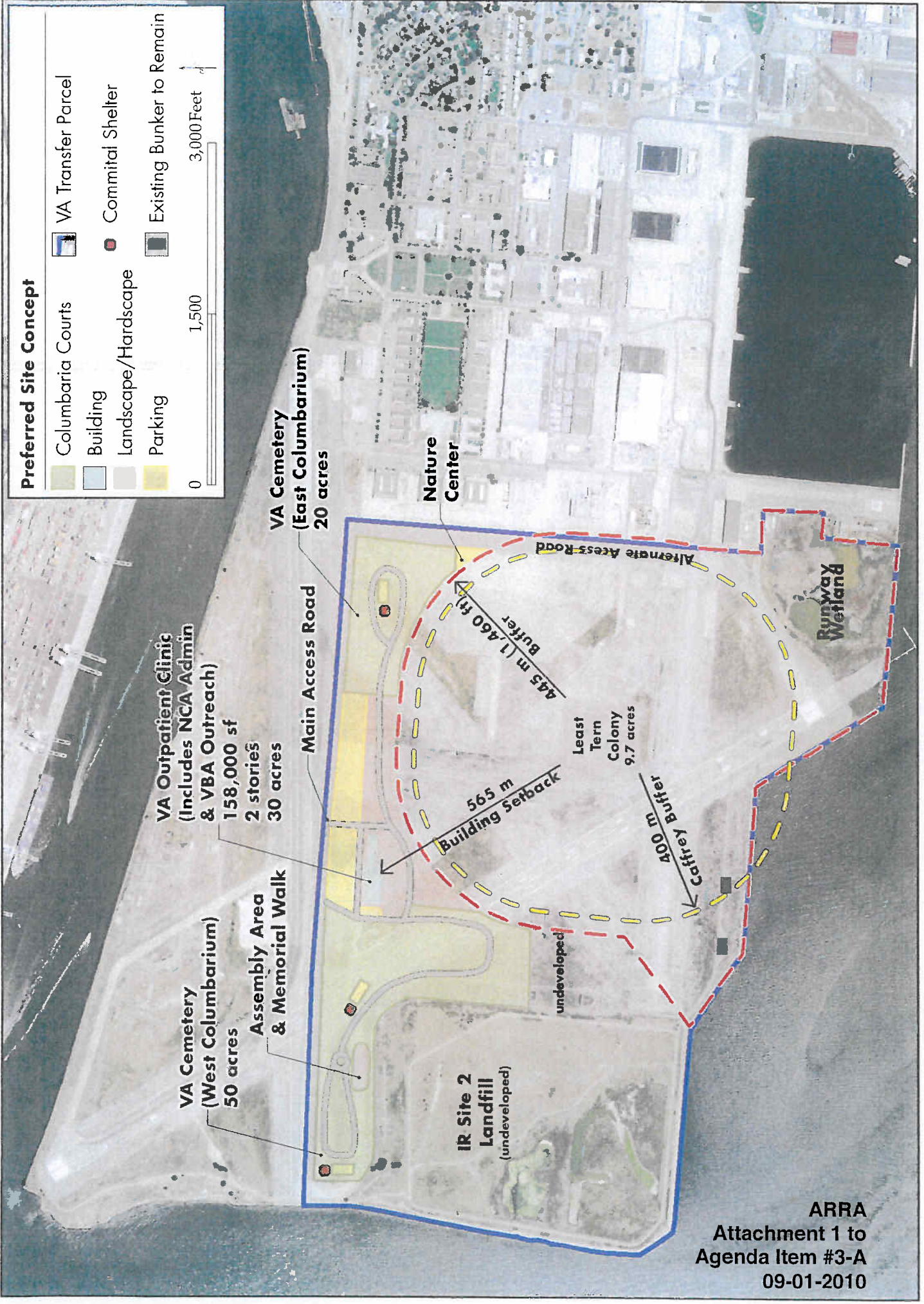
Whereas, the VA Project will pay homage to the military history of NAS Alameda, including to the veterans who served at the former Navy base; and

Whereas, the VA and Navy held public meetings regarding the VA Project to allow local citizens and other community stakeholders to participate in the planning of the OPC and Columbarium in accordance with the National Environmental Policy Act and other federal review processes; and

Whereas, the VA , Navy, and United States Fish and Wildlife Service are consulting according to Section 7 of the Endangered Species Act to establish protective measures for the endangered species, the California Least Terns, at the former NAS Alameda property on a portion of the proposed VA property; and

Whereas, in December 2008, January 2009 and September 2010 public presentations were made regarding the VA project.

NOW, THEREFORE BE IT RESOLVED, that based upon testimony and information presented to ARRA and the Alameda community on several occasions, the ARRA supports the VA Project and believes it is in the best interest of the City of Alameda.



Preferred Site Concept

- Columbaria Courts
- Building
- Landscape/Hardscape
- Parking
- VA Transfer Parcel
- Commital Shelter
- Existing Bunker to Remain



VA Outpatient Clinic
(Includes NCA Admin & VBA Outreach)
158,000 sf
2 stories
30 acres

VA Cemetary (West Columbarium)
50 acres
Assembly Area & Memorial Walk

VA Cemetary (East Columbarium)
20 acres

IR Site 2 Landfill
(undeveloped)

Least Tern Colony
9.7 acres

Runway Wetland

Nature Center

Main Access Road

Alternate Access Road

565 m Building Setback

445 m (1,460 ft) Buffer

400 m Cattery Buffer

ARRA
Attachment 1 to
Agenda Item #3-A
09-01-2010



DEPARTMENT OF THE NAVY
BASE REALIGNMENT AND CLOSURE
PROGRAM MANAGEMENT OFFICE WEST
1455 FRAZEE RD, SUITE 900
SAN DIEGO, CA 92108-4310

Ser BPMOW.DR\0543

MAY 25 2010

Ms. Jennifer Ott
Alameda City Hall
2263 Santa Clara Avenue
Alameda, CA 94501

Dear Ms. Ott:

SUBJECT: RESPONSES TO QUESTIONS POSED BY THE ARRA BOARD AT THE
MAY 6TH, 2010 PRESENTATION ABOUT THE NAVY ENVIRONMENTAL
PROGRAM AT ALAMEDA POINT

During the May 6th, 2010 presentation to the Alameda Reuse and Redevelopment Authority (ARRA) Board, three (3) questions were asked to the Navy representative that required follow-up responses. The Navy's responses to these questions are provided as follows:

Q: Councilmember Tam asked: I was trying to understand how the funds are administered because the ARRA looks at opportunities for Federal funding for further clean-up. Is the Navy already getting that funding? Or how do you get your allocations through congressional authorizations?

A: The Department of the Navy (Navy) Base Realignment and Closure Program Management Office (BRAC PMO) seeks Congressional appropriation for environmental cleanup at Alameda Point based on a multi-year planning process. On an annual basis, the BRAC PMO uses existing environmental information about the property to identify future funding requirements. For the past five years, the BRAC PMO has been successful in obtaining sufficient funding for the environmental cleanup program at Alameda Point.

Q: Councilmember Gilmore asked: What is the status of the transfer process of cleaned VA lands? Has the Navy and the VA reached a basic deal?

A: The Navy and the Department of Veterans Affairs (VA) are currently coordinating for the federal to federal transfer of approximately 549 acres of property located at the former runway area on the west end of Alameda Point. Since the VA submitted its formal request to acquire the property in November 2006, the Navy and VA have accomplished several key milestones. Those milestones include the negotiation of a draft Memorandum of Understanding (MOU), the initiation of a Section 7 consultation in compliance with the Endangered Species Act (ESA), and the scoping of an environmental planning report in compliance with the National Environmental Policy Act (NEPA). The next significant milestone the agencies intend to complete is the submittal of a joint Navy/VA Biological Assessment to the U.S. Fish and Wildlife Service in compliance with ESA, and the issuance of an Environmental Assessment in compliance with NEPA.

ARRA
Attachment 2 to
Agenda Item #3-A
09-01-2010

MAY 25 2010

Additionally, Councilmember Gilmore asked the status of the "clean" lands. While the property subject to the VA transfer include two Installation Restoration (IR) sites and a parcel-wide Site Inspection, it is important to note that the base closure law allows federal agencies to transfer properties to one another prior to the completion of the remedial actions. So to answer Councilmember Gilmore's question, while some portion of the lands are "clean" and some are still subject to additional remedial actions, the Navy intends to transfer all lands at one time. The Navy is currently attempting to comply with other regulatory requirements identified above (NEPA, Section 7, etc.).

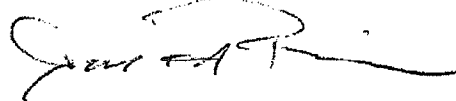
With regards to the question about a "basic deal" the answer is essentially, yes. Future responsibilities of both agencies have been fundamentally agreed to in the draft MOU. Should the ARRA wish to understand the arrangements agreed to between the agencies, the Navy would be more than happy to provide a summary to the ARRA staff.

Q: Vice Chair deHaan asked if his estimate of approximately \$100 million for the remediation of Site 2 was correct. Mr. Robinson stated that \$100 million seems high, and is more likely \$20 million - but will provide the current projection.

A: The current projections for Site 2 remediation include \$19.2 million for the remedial action and \$2.7 million for long-term monitoring after the remedial action is complete; for a total future expenditure of approximately \$21.9 million on Site 2.

Please distribute this letter to the ARRA Board. If you have any further questions, feel free to contact me at (619) 532-0951.

Sincerely,



DEREK J. ROBINSON
BRAC Environmental Coordinator
By direction of the Director

Copy to:
Mr. Peter Russell
Russell Resources, Inc.
440 Nova Albion Way, Suite 1
San Rafael, CA 94903-3634

Ms. Leslie Little
Economic Development Director
City of Alameda
950 West Mall Square, Building 1
Alameda, CA 94501-7575

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MAY 25 2010

Blind copy to:

Derek J. Robinson

William McGinnis

Alan K. Lee

Amy Jo Hill

Diane Silva (3 copies)

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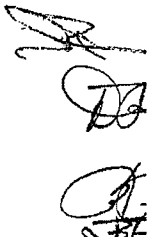
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Writer: D. Robinson, BPMOW.DR, 2-0951

Typist: B. Foster, BPMOW.BF, 2-0914, MD:\ RESPONSE TO ARRA QUESTIONS.DOC\
25 MAY 10

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Handwritten signatures and initials in the bottom right corner. The top signature is a stylized 'A'. Below it are initials 'DA'. At the bottom is a signature that appears to be 'B. Foster' with 'BF' written below it.

Additional Information as Requested by ARRA
Re: Proposed Navy Transfer to Department of Veterans Affairs (VA)
July 13, 2010

In response to Navy's letter dated May 25, 2010, ARRA staff requested additional information concerning the VA transfer and related agreements. This document summarizes the Navy and VA's negotiated agreements, and the key milestones required to complete the transfer to the VA.

Negotiated Agreements

- Navy and VA have negotiated a Memorandum of Understanding (MOU) to support a no-cost Federal-to-Federal property transfer of approximately 549 acres
- The Draft Final MOU outlines responsibilities regarding environmental cleanup on the VA transfer parcel. A summary of the parties' responsibilities is provided below:
 - Navy is responsible for environmental cleanup until completion of remedial actions. This includes Site 2, Site 33 and the remediation of those areas required as a result of the remaining parcel site inspection.
 - VA will be responsible for ongoing operations, maintenance, monitoring, and reporting after the remedial action has been determined to be operating/performing successfully.
 - VA will be responsible for releases of environmental contaminants identified after the date of transfer.
 - VA will comply with any land use restrictions required as a result of the remedial decision process.

Key Milestones to Complete Navy/VA Transfer

- Completion of consultation in compliance with Section 7 of the Endangered Species Act (ESA).
- Completion of an Environmental Assessment (EA) in compliance with the National Environmental Policy Act (NEPA).