

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: 7/18/11

Reviewed by: BP

SUBJECT: Lawrence Berkeley National Laboratory/Green Technology Collaborative proposal for the Golden Gate Fields property and associated City and School District revenue

REPORT BY: Beth Pollard, City Manager

STAFF RECOMMENDATION

That Council authorize the City Manager to execute a letter agreement with Management Partners to provide consulting services to assist in revenue protection and potential revenue sharing arrangements involving the City of Albany, the Albany Unified School District, the City of Berkeley, and other parties associated with the Lawrence Berkeley National Laboratory/Green Technology Collaborative proposal for the Golden Gate Fields (GGF) property, with the cost of these services to be reimbursed by the property owner.

BACKGROUND

The Golden Gate Fields (GGF) property in Albany and Berkeley is one of six sites being considered by the Lawrence Berkeley National Laboratory for a second campus. The property owner is developing a proposal for the lab facilities, and other development and amenities.

The community's guidelines for future use of the GGF property that emerged in 2010 from the City's waterfront visioning process – *Voices to Vision* – included the desire for at least replacement revenue for the City and Albany Unified School District. The property owner is aware of this guideline. It is city staff's understanding that the owner is engaging the services of economists who will analyze the projected public and private revenues from the project.

DISCUSSION/ANALYSIS

The City currently receives a variety of taxes and special assessment revenues from GGF. As the proposal is developed, it is important for the City to have complete and accurate data and information on how the Green Collaborative proposed uses would affect the budgets of the City and School District in Albany. Of paramount importance is how the guideline for at least replacement revenue from any future use(s) will be achieved with sufficient assurance.

In addition, the proposed Lab and associated development spans the jurisdictional boundaries of Albany and Berkeley, as about 100 acres of the GGF property is in Albany and about 40 acres are in Berkeley. Albany and Berkeley officials have informally discussed the need for an understanding and agreement on what this cross-jurisdictional proposal means for revenues to the two cities. Staff of the two cities agreed that we would begin the creation of an arrangement by the City of Albany hiring consulting services that could analyze and recommend some alternatives, with the understanding that the costs of these consulting services would be included in the reimbursement agreement the City has with the property owner. The firm Management Partners was selected because of its experience in revenue protection and sharing consultation, its depth of public sector finance knowledge, and because the firm and the primary consultant who would work on this project, Daren Fields, have successfully performed work for both the cities of Albany and Berkeley.

Aside from the issue of city revenue, the consultants would also address the issue of revenue to the Albany Unified School District. The property owner currently pays parcel tax and bond measure debt service payments to the School District via its County property tax bill.

SUSTAINABILITY IMPACT

N/A

FINANCIAL IMPACT

The estimated cost of the consultation services at this time is \$26,500. The property owners are agreeing to reimburse the City for these costs.

Attachments

1. Management Partners letter proposal