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# An Interview with the Developers

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Because the process to select the site for Lawrence Berkeley National Laboratory's second campus is moving quickly, the city of Albany thought it would be helpful to have the *Voices to Vision* consultants interview the developers of the Golden Gate Fields proposal. This information will be helpful as we approach the first of a series of City-hosted community meetings. (*Identical sessions: July 30th at 2pm; July 31st at 10am and 2pm; and August 1st at 7pm – all at the Community Center. RSVP information will be coming soon. Additionally, LBNL is hosting a meeting on August 3 at 7:30pm at the Community Center.*)

**Fern Tiger Associates (FTA)** conducted this informal interview with The Stronach Group's Development Team (Ari Huber, Wei Chiu, and Cleve Livingston) (**TSG**) on Wednesday, June 29th at Golden Gate Fields.

**FTA: Can you explain "The Stronach Group?" Albany people knew the Track was owned by MEC and then MID, and they knew that Frank Stronach was a majority shareholder.**

**TSG:** All Albany residents should have received, or perhaps are about to receive, a letter from Belinda Stronach explaining that GGF is now owned by The Stronach Group (TSG), a family company. Belinda is the CEO of this company. The Stronach Group also owns Magna E-Car and BionX, and other companies that focus on electric vehicle development. That's why transforming Golden Gate Fields into a very special place where innovation, development, and open space can merge – seems like a great opportunity. We think this is a chance to create jobs, to tie programs to science education in the schools, and also to create a legacy.

TSG has a 50-year history of involvement with property ownership and development.

**FTA: What prompted you to respond to the Request for Qualifications (RFQ) presented by Lawrence Berkeley National Laboratory (LBNL) using the Golden Gate Fields**

**(GGF) site as a contender for the second campus for LBNL?**

**TSG:** We saw this as a once-in-a-lifetime opportunity for the site and for our company. While the founder of the company, Frank Stronach, loves horse racing, he has long been committed to identifying development potential at many of the tracks he owns. At this track in Albany, there had been efforts to create parallel uses where the track would remain and other development would be added. Those efforts failed, and the company learned a lot from those experiences.

It's important to note that The Stronach Group owns many properties (some of which include race tracks), but we also own companies dedicated to the creation of electric vehicle technology. We were aware of LBNL's work in energy technology and realized that there might be a synergy between our company and LBNL. And we knew we owned a spectacular waterfront property that we believed scientists would want to come to each day to do their work. It just seemed like a good match.

**FTA: What about horse racing? The community has been told that the company's goals – be it MEC, MID, or the Stronachs – were focused on horse racing. What's changed?**

**TSG:** Horse racing remains of paramount importance to the Stronach family, so there are actually two parallel paths. Our vision for the GGF site is the creation of a green technology

collaborative, but we are simultaneously looking for a new site to continue with The Stronach Group's commitment to horse racing. But that will be elsewhere, not at GGF. These are parallel, concurrent paths, and that's important to understand.

**FTA: *What is this "green-tech collaborative"?***

**TSG:** Really, it's the idea of bringing creative people from different disciplines together to do great things. It's a site that will incorporate the most advanced thinking about sustainable design. It will have state-of-the-art, world-class science housed in the LBNL buildings. We think this is an inspirational property. Personally, I get excited and energized every time I'm here at the site. The thought was, here we are at The Stronach Group with lots of green-focused initiatives in terms of BionX and Magna E-Car Systems and we thought: "Can we marry R&D, academic excellence, private-sector savvy, business capital, and some public policy initiatives?" Maybe we can be a catalyst for increasing the speed of innovation. It always seems that great things happen when people collaborate. So that's why I'm describing it as "green," "technology," "collaborative."

**FTA: *You've mentioned various Stronach-owned companies that tie into this green-tech concept. Do you anticipate that these companies will be locating here at the site?***

**TSG:** It's under discussion.

**FTA: *Did you know that the Albany community had spent two years discussing the future of the waterfront?***

**TSG:** While we did not participate directly in *Voices to Vision*, local management at GGF was interviewed by the consultants and we followed the process closely. We know that the process confirmed that the community favors open space at the site, but we also know from the report that the community wants to retain the revenue the site provides. And, we also know that Albany people are very committed to sustainable development, and so is The Stronach Group.

**FTA: *Do you think the big goals the community stated through Voices to Vision can be achieved through this project, which we believe includes LBNL and commercial development?***

**TSG:** I suppose you mean the community's goals for a large part of the property to be open space and also to ensure an appropriate, tax-generating scheme.

Well, as you know, the Lab will not generate tax revenue... but it will bring a world-class science institution to the City of Albany. We've assembled an amazing team of architects and landscape architects and others committed

to respecting the beauty of this site and to maximizing open space. But it won't work if it's just LBNL. To fund the project and to make sure the City gets the revenue it wants, we need to have other companion uses at the site. This is an extremely complex site so construction will be expensive. Our thinking about this green-tech collaborative is that people are going to want to work there, they're going to want to play there.

So what I hope will happen, is that we will take the building block exercise that you did in *Voices to Vision* a step further... by layering in more reality, by understanding the cost of building on the site, the challenges, and other realities that we as developers face as we try to hold onto open space, make sure there is an adequate revenue stream, and create a legacy project... all at the same time.

**FTA: *The community really wants open space. How do you think that goal can be achieved in this plan?***

**TSG:** We have two teams of architects. We have a national expert in green design, and we have landscape, open space guys. They've all read the *Voices to Vision* document. And I think it's been hammered out daily and in very clear, concrete terms that it's up to them to use their expertise to create something that can maximize open space. I'm not an architect, but those are their marching orders.

We think that what we're proposing to do with the property in terms of creating a green technology collaborative meets a lot of the goals of *Voices to Vision*. It's important to remember that *Voices to Vision* was a visioning exercise and didn't really look at the full costs of actually implementing that vision. Figuring out the full costs will determine what we're able to do. We see this project as an opportunity to deliver open space, to improve existing open space, to maintain open space, to generate revenues to the City that will allow it to maintain its budget after the track is gone. We certainly hope that we can marry our concept with the *Voices to Vision* guidelines and use that as a way to implement the principles arrived at through your very participatory process.

**FTA: *What is being proposed for the site? What's in Berkeley and what's in Albany? What can the community expect to see when the process begins in earnest in July?***

**TSG:** Obviously, it's really one site, not two, but we understand that there are two jurisdictions. Anyway, we're hoping to have LBNL, commercial labs, a hotel, some retail, and possibly housing across the two-city site. And we hope the two cities can find a way to ensure that the revenue that comes from the site can benefit both cities. Our initial thought – and we're hoping that during the community process in July and August we'll have more information – was that we'd

have the public institution, LBNL, set in Albany with perhaps some ancillary commercial labs there as well.

It might be a good idea to take a step back and explain the building blocks of this green-tech collaborative. There's research and development. That includes the LBNL second campus, which is 2M sq. ft. of lab and office. That's the centerpiece of the project and the major anchor. But in addition, there will be space for spin-offs, startups -- the emerging businesses that come out of the technologies that are invented and discovered in the labs. And there will be a business incubation platform to help transfer the technologies from the lab to the marketplace. Then there'll be a public policy platform, which will be dedicated to informing government initiatives at the local, state, and federal levels. We want to encourage the kind of research and development and technology transfer that will be done through the other platforms. And there'll be a green technology forum and learning center, which will focus on supporting the free flow of ideas and information and helping to generate the kind of informed decisionmaking that's so important in a democratic community. And finally, we'd like to create a live-work environment that results in the kind of back-of-the-napkin discussions that are important to the creative process.

In terms of doing a land plan to accommodate all of that, we're trying to include the kinds of uses that can tie the site with the existing city of Albany. That might include a hotel, conference facilities, retail, and/or housing.

**FTA: So, am I correct in thinking that you've made decisions as to where LBNL would be located on the site, but that the other parts of the development are not as set?**

**TSG:** There's been a lot of thinking over the last few weeks about how to best lay out the site. The general sense was: the Lab needs to be the centerpiece, and the siting of the Lab needed to meet some particular parameters. So, yes, while we have ideas about the best placement for the non-Lab functions, we are looking at many options and are interested to hear what the community says in the coming weeks.

**FTA: GGF has been working on this proposal since January. Why is this the first time we're getting any real information?**

**TSG:** MID, the public company and previous owner of the site, was involved in evaluating the challenges and opportunities created by the initial RFQ. At the same time, preparations were underway for the transfer of GGF and other properties and companies to the The Stronach Group. So it was a complicated time.

**FTA: How strong a chance does Albany have to be selected?**

**TSG:** In some ways, it depends on how much Albany wants

this. We believe, that from a question of proximity to the lab, a beautiful place to be, from clean soil, we're 11 out of 10. We are sparing no expense to do the best job possible, hiring the best people, funding the City to engage the community, figuring out how to make sure that open space is expanded. We think we are the perfect site.

**FTA: Is it possible that LBNL will select a site, and then find it doesn't have the funds to move forward?**

**TSG:** Anything is possible. But we think LBNL is very committed. The first phase of the second campus involves existing, already-funded programs at satellite locations, and they want to bring them together, which makes good sense.

**FTA: We're told that LBNL will need 2,500 cars at full build-out. And then there will be cars for the commercial parts of your plan. Won't that create a mess on Buchanan and Gilman?**

**TSG:** Our objective is to take cars off the road and have a managed shuttle and transportation system to BART and other public transportation. We're looking at developing a strong transportation management program.

**FTA: What are you planning for parking?**

**TSG:** We're working with the idea of podium parking, mostly under the main pedestrian area where all the activity is.

**FTA: How tall do the buildings need to be and is there a relation between the height of the buildings and open-space?**

**TSG:** Obviously, the taller the buildings, the less of a footprint they have and the more land available for open space. But we're trying to design the site without excessively tall buildings. For efficiency reasons, lab buildings need to be three to four stories tall and because of the unique equipment and ventilation requirements, one story in a lab building is considerably taller than one floor in an office building. So lab buildings are generally about 60-80 feet tall.

**FTA: Who is the developer?**

**TSG:** The Stronach Group will be the developer of the site. We have assembled an incredible team of consultants to assist us with this project.

**FTA: How will Albany recoup its taxes during demolition and construction?**

**TSG:** We are very aware that the revenues from this site are important to the City of Albany, and that during construction Albany cannot suffer in its ability to serve its citizens. So, we are accounting for that in terms of our own costs to ensure that it's seamless for the City. It's being factored into our costs that we need to fund the City during these years.

**FTA: How many people will work here at LBNL?**

**TSG:** The Lab has told us there will be about 1,000 people working at LBNL, in the first phase.

**FTA: What about the economic impact on existing Albany businesses? How is that being analyzed?**

**TSG:** We've retained independent economic consultants to study this and we hope to have that information in time for the July community meetings. It seems reasonable to assume that it will have incredibly good economic spin-off. Those LBNL employees are going to need places to have lunch; they're going to need convenient shopping. We're hoping to provide some of that on site, but not enough to accommodate the demand, which will then flow off-site into the existing restaurants and shops.

**FTA: How much new public open space will be created?**

**TSG:** It's a bit of a moving target, related somewhat to height of buildings, but the current thinking is more than 50 acres, creating a large waterfront park. And that does not include the very large plazas within the LBNL portion of the site, that are completely open to the public. These plazas will flow directly to the public spaces, so it will feel like a great deal more open space.

**FTA: What do you think are the benefits for Albany? Challenges?**

**TSG:** Growth is hard, and change is hard, but if you can guide and shape it... it can often work to benefit the community in so many ways. This is one of the most thoughtful designs and plans I've ever participated in. The citizens get open space that's maintained and cultivated. They get educational and job opportunities. The challenges are that there is going to be development, there is going to be height. The challenges are really trade-offs and the community will need to do its own balancing of the benefits and the trade-offs, and determine if this reflects its values, objectives, and aspirations.

**FTA: What are your challenges?**

**TSG:** The main challenge for us is having the community believe in this project and getting them to know and to trust us in a very short period of time. We're very passionate about this project. The basic concept is simple - lab, university, business, and community. Simple. But this community has been burned by previous developers. This is an incredible opportunity - probably once in a lifetime - to create something that's educational, that advances society, in a spectacular setting... and that also reflects the community vision. One of our challenges is helping the community understand the constraints on the design of the site. The labs

are a good example. The best and most economical model is a 4-story building, but that means buildings that are the height of about a 7-story condo. We have to create uses that will generate enough revenues to pay for the infrastructure, to clean the site, to make good on the revenues to the City, and provide open space. And we need to build a new track in Northern California. We're trying to figure out what all those costs are going to be. That's the biggest challenge for us - making this project feasible from a cost perspective.

**FTA: When will LBNL make the decision?**

**TSG:** They say they will decide in late November.

**FTA: Between now and then, how much is set in stone; is there room for community input to make it a better solution?**

**TSG:** The 2M sq. ft. of LBNL - that's set in stone, a firm requirement. I think we can involve the community in discussions for everything else. But that conversation will have to be informed by the reality of costs and what can and can't be done. We want the community to be part of the creation of this site. Just like in *Voices to Vision*. They'll see that LBNL's 2M sq. ft. provides benefits, but at the same time eliminates \$1.7M in revenue. So decisions need to be made.

Another challenge is that this is an extremely competitive process. It started with 21 sites and now it's down to six. What we have to do is figure out where our competitive advantage is and figure out how to compete in terms of price. That's the challenge for us - to do that while at the same time working with the city to reach out to the community. If the community is interested in this project, then I think they'll embrace the notion of competing for this site. That's what we're hoping will happen.

**FTA: One last question: Why did you fund the City to pay for a community outreach and engagement process that will not be under your control?**

**TSG:** We recognized that there was a lot of positive energy built through *Voices to Vision*, and that the community trusted that process. We thought it made sense to have the community discuss the pros and cons of having LBNL and other uses at the site in the same kind of neutral setting that *Voices to Vision* created. We know that the city has hired Fern Tiger Associates (FTA) to create and facilitate a process and we plan to participate in it as appropriate without overwhelming it. FTA has been clear that their role is not to promote our project but rather to ensure that the community continues to get accurate information and has ample opportunity to understand and respond to information presented and to weigh in with good ideas to make our project even better than we think it is currently.