

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

Board of Directors Regular Meeting
Wednesday, May 18, 2011
9:45 a.m.

APPROVED MINUTES

CALL TO ORDER: Chairperson Tom Bates called the Regular Meeting to order at 9:48 a.m.

Pledge of Allegiance: Chairperson Bates led the Pledge of Allegiance.

Roll Call:

Present: Chairperson Tom Bates; Vice Chair John Gioia; and Directors Susan Gorin, Scott Haggerty, Jennifer Hosterman, David Hudson, Carol Klatt, Nate Miley, Johanna Partin, Mark Ross, James Spering, Gayle B. Uilkema, Brad Wagenknecht and Shirlee Zane. Directors John Avalos, Eric Mar and Liz Kniss arrived after the roll call was taken.

Absent: Secretary Ash Kalra; and Directors Harold Brown, Susan Garner, Carole Groom, and Ken Yeager.

PUBLIC COMMENT ON NON-AGENDA MATTERS: Chairperson Bates opened the public comment period and with no one coming forward to speak, he closed the public comment period at 9:49 a.m.

CLOSED SESSION:

1. **Existing Litigation (*Government Code Section 54956.9(a)*)**

Pursuant to government Code Section 54956.9(a), a need exists to meet in closed session with legal counsel to consider the following case(s):

- a) California Building Industry Association v. Bay Area AQMD, San Francisco Superior Court, Case No. RG 10548693

Chair Bates adjourned the meeting to closed session and cleared the Board room at 9:50 a.m.

Chair Bates reconvened the meeting at 10:25 a.m. and stated that there was no reportable action taken during the closed session.

CONSENT CALENDAR (Items 2-6):

2. Minutes of the May 4, 2011 Regular Meeting.
3. Board Communications Received from May 4, 2011 through May 17, 2011.
4. Quarterly Report of Executive Office and Division Activities.

5. Consider Approval of Hiring Recommendation at Step E of Salary Range 124 for the Air Quality Instrument Specialist I Position.
6. Consider Establishing a new Job Classification of Air Quality Intern.

Board Action: Director Wagenknecht made a motion to approve Consent Calendar Items 2 through 6; Director Kniss seconded the motion; which carried unanimously without objection.

COMMITTEE REPORTS AND RECOMMENDATIONS

7. Report of the Stationary Source Committee Meeting of May 5, 2011 Chair: Gayle B. Uilkema

Director Uilkema reported that the Stationary Source Committee met on Thursday, May 5, 2011 and approved the minutes of March 3, 2011.

The Committee heard a presentation on the US EPA's Greenhouse Gas (GHG) Tailoring Rule. The Clean Air Act contains permit requirements for facilities that are "major sources" of regulated air pollutants and defines a "major source" as a facility that has the potential to emit any regulated air pollutant of more than 100 tons per year or 250 tons per year for facilities subject to the Prevention of Significant Deterioration (PSD) permit requirements. There was a need to tailor this rule as many small facilities would be required to be regulated based on their emissions of GHGs, such as schools, hospitals, restaurants and small farms.

Staff also gave the Committee an update on six new power plants in the Bay Area; three are in Contra Costa County, two in Alameda County, and one is in Santa Clara County. The Committee discussed renewable energy sources, energy consumption trends, and the effect of new rules on the power plants. The Committee also received a presentation on the Forward Looking Infra-Red Camera, a camera that can detect and record air pollution that is not visible to the human eye. Staff showed videos demonstrating the camera's technology and explained opportunities to use the camera in education and enforcement. The Committee recommended that a presentation of the Forward Looking Infra-red Camera be given to the full Board of Directors at a future meeting.

The next meeting of the Stationary Source Committee is on Thursday July 7, 2011 at 9:30 a.m.

Board Action: Director Uilkema made a motion to approve the report of the Stationary Source Committee; Director Wagenknecht seconded the motion; which carried unanimously without objection.

8. Report of the Climate Protection Committee Meeting of May 16, 2011 Chair: Jennifer Hosterman

Director Hosterman reported that the Climate Protection Committee met on Monday, May 16, 2011 and approved meeting minutes from November 29, 2010 and March 7, 2011.

The Committee heard a presentation on the US EPA's Greenhouse Gas Tailoring Rule. This was the same presentation given to the Stationary Source Committee as reported by Director Uilkema. The Committee also received a report of the decision in the Association of Irrigated Residents, et al versus the California Air Resources Board (CARB). The ruling prevents CARB from implementing

its AB32, Global Warming Solutions Act, “scoping plan” because CARB failed to follow CEQA requirements and did not consider alternatives to the proposed cap and trade approach.

The Committee then received recommendations from the Advisory Council for meeting the 2050 Greenhouse Gas Emissions Target. The Advisory Council made fifteen recommendations that were discussed by the Committee.

The next meeting of the Climate Protection Committee is at the Call of the Chair.

Board Action: Director Hosterman made a motion to approve the report of the Climate Protection Committee; Director Wagenknecht seconded the motion; which carried unanimously without objection.

PRESENTATION

9. Update on the Implementation of the Air District’s California Environmental Quality Act (CEQA) Guidelines.

Director of Planning and Research, Henry Hilken, presented the staff report. The CEQA thresholds were approved by the Board in June 2010. At that time the Board directed staff to report back in one year. The Board directed staff to track the implementation and determine if air quality standards alone are triggering Environmental Impact Reports (EIRs); to work with local governments, the building industry and stakeholders; to coordinate with regional agency partners on CEQA, SB375, and Sustainable Communities Strategy (SCS); to facilitate development of Community Risk Reduction Plans (CRRPs); and to develop standardized mitigation measures.

Mr. Hilken stated that staff was very closely tracking how the guidelines have been implemented. There has been ongoing communication with local planners and officials, developers, affordable housing and infill development advocates. Staff has responded to over 400 phone calls. Training sessions were given to local planners; attendance and feedback have been positive.

Staff conducted customized CEQA analysis training for jurisdictions. Public workshops were held in February and March of 2011 in Oakland, Mountain View and Santa Rosa. There were over 150 attendees, representing over 30 local governments. The thresholds and tools are being widely used.

Staff has been very active on updating the screening tools and keeping them as specific as possible. Many projects can be evaluated at the screening level.

Screening tools for State Highways include values for all links along every state highway; local traffic volumes, truck percentages, and meteorology; updated information that reflects reductions based on CARB diesel rules (2014) and values for 1st and 2nd floor receptors. This has been formatted in a Google Earth application.

Screening tools available for Surface Street determinations include County specific meteorology and truck percentages and they also reflect reductions based on CARB diesel rules (2014).

Permitted Stationary Sources have updated screening tools including health risk assessment values where available and site-specific modeling parameters and recommended default values.

Both the Modeling Guidance and CEQA Guidelines now offer more user friendly instructions for using the updated screening tools; and they acknowledge the incorporation of risk reduction measures. Mitigation measures are being imbedded into the screening tools. Values for ground floor and upper level occupancy, for example, are now seen up front.

A local government survey with 10 questions was emailed to all jurisdictions. Staff received 73 responses, representing 46 different local governments. None of the survey results identified projects where air quality alone was evaluated in a Draft Environmental Impact Report. All survey respondents said that they are using some of the Air District's CEQA tools. A majority of the respondents believe the CEQA Guidelines and thresholds provide legal certainty and useful mitigation measures; and they requested more training and updated tools. It appears that the thresholds alone have not resulted in a project needing an EIR. These are difficult technical analyses and this information should help local planners.

Staff is working very closely with local planning staff, and developers. We are finding that local jurisdictions are using these documents and the detail of the air quality evaluations is improving. They are making significantly better assessments. Staff is reviewing proposed projects including infill, transit oriented developments (TOD) and affordable housing. Comment letters have been issued on Air District letterhead to support good projects and features. We have reviewed over 400 CEQA documents, provided assistance for climate action plans, and have done refined analyses when requested. We get many requests for help on individual projects.

Mr. Hilken showed three examples of projects where Air District staff has assisted the local planners with the review process. A condo/mixed use project in San Francisco, a proposed senior housing project in El Cerrito, and a mixed use project in Oakland. Staff had meetings with the developers on two of the projects, wrote a letter of support for one project, and raised concerns about the air quality analysis for one project. There are projects that raise concerns and that is why the guidelines are needed.

There have been 23 Climate Action Plans (CAPs) adopted in the Bay Area. 18 are in progress now. The Air District has reviewed and issued comment letters for 5 CAPs. The Air District provides support to local governments in the way of \$3 Million dollars in climate protection grants and technical assistance. The breadth and technical rigor of CAPs are improving. Staff is noticing that CAPs have consistent AB32 targets, that the GHG inventories include more emission sources, that there is more quantification of specific mitigation measures, that more mandatory measures are being included, that environmental reviews are being done, and that the CAPs are integrating with general plans.

Staff has collaborated with regional agencies in a number of ways. The Air District convened an Air Quality/Priority Development Area (PDA) workgroup with the Metropolitan Transportation Commission (MTC), the Association of Bay Area Governments (ABAG), and the San Francisco Bay Conservation and Development Commission (BCDC). Staff has encouraged and assisted the regional agencies in addressing air quality impacts in Station Area Plans, and gave a presentation to local planners at a Station Area Planning workshop. Eventually we want to have a master area EIR of air quality for Station Area Plans (SAPs). Staff is participating in the development of SCS and a Regional Transportation Plan. We have been discussing regional programs with the Bay Area Planning Directors Association (BAPDA) and we will be participating at the BAPDA Symposium in June 2011.

The SAP analysis process starts with computer mapping, and identifying sources and roadways. Potential impacts are assessed and risk reduction measures are identified. Staff has discussions and meetings with local and regional planners about projects, with the goal to streamline future CEQA review for individual projects.

Mr. Hilken used the Union City BART Station area as an example. The Board viewed a map that identified areas around the station and showed locations of stationary sources, and specific setback boundaries. In this way, local planners can identify sources that are above the threshold and work to identify mitigation measures upfront.

There are two pilot CRRP projects in San Francisco and San Jose. Air District Staff gave an update to the Executive Committee in April. There is an ongoing dialogue with San Francisco and San Jose, and this includes meetings or conference calls on a weekly basis.

In San Francisco, we are collaborating with staff to identify city-wide targets for CRRP; we have reached consensus on our modeling approach; and we are developing an approach for integrating filtration as mitigation measure into the modeling. In San Jose, the Air District is collaborating with staff in identifying risk reduction strategies; preparing a local emissions inventory and initiating air quality modeling; and participated in two public workshops.

This information is spreading out to other cities and they are incorporating it into their planning. We expect these pilot projects to inform other communities. In a short time there has been increased awareness of integrating air quality into local planning processes. Several jurisdictions are committing to CRRPs in their General Plans – City of Santa Clara, Redwood City, and San Pablo.

Our goal is to minimize impacts. Local planning staff likes worksheets and check lists, and to know upfront what mitigation measures would be. We hope to provide worksheets and/or checklists to streamline their processes.

The Air District staff has been working on simplifying the process for analyzing and mitigating risk and hazard impacts. We want to standardize mitigation measures, such as indoor air quality filters and ventilation; building heights and air intakes; truck routes and idling limits; and setbacks and land use design strategies

Recent comments from the public have expressed the following opinions:

- New screening tools not significantly improved; should undergo peer review equivalent to rule development
 - Freeway and surface street impacts at least 50% lower than previous
 - New tools based on extensive technical analyses
- Recommend best management practices threshold for construction
 - Staff conducting survey of Bay Area construction activity to refine construction impact calculator and recommended mitigations
- Develop regional plan to identify/mitigate impacts to new receptors
 - Plan-based approach is encouraged; city or specific plan level is appropriate geographic scope
- Acknowledge lower GHGs of infill projects, exempt infill from GHG thresholds
 - Guidelines encourage consideration of efficiencies of infill development
 - District does not have authority to exempt projects from CEQA

Staff is in agreement that developing a regional map that identifies risks and hazards at a regional level is better than a project by project. One blanket regional map would not work. By law, we cannot exempt projects from GHG thresholds.

The next steps are to continue and expand every element of this program. It is ongoing, and staff will continue to refine the tools and mitigation measures. We will continue to provide technical assistance to local planners and developers. Staff will work toward completion of the pilot CRRPs in San Francisco and San Jose, and initiate CRRPs in other Community Air Risk Evaluation (CARE) communities. We will complete the community development guidelines and provide guidance on mitigation measures. We plan on continuing our collaboration with local planners on air quality analysis of station area plans, to support and review draft climate action plans, and to ensure CEQA guidelines are consistent with SB 375, and SCS. Staff can come back in one year to give the Board an update.

Public Comments: Chair Bates opened the public comment period.

Mr. Evan Reeves, Policy Director of the Center for Creative Land Recycling, stated his concerns about infill and TOD projects that had a high initial failure rate. Mr. Reeves gave a handout to the Board. He felt that the false failures are a result of an inconsistency in the thresholds. He said he was appreciative of the work of the Air District staff and there has been a minimizing of the incidents of false failure, but it was not significant. He requested that the Air District set aside the thresholds and conduct a full scientific peer review and socioeconomic analysis, in order to enable a full discussion.

Mr. Mark Babsin, a principal at Emerald Fund, stated he works mostly on urban infill projects, and is familiar with them. Recently, he was told during a pre-application meeting with planners, that he would need an EIR for a project, based on air quality thresholds alone. This meant an additional year and he was unable to come to an agreement with the owner, because of the anticipated delay in doing an EIR.

Tim Colen, Executive Director of the San Francisco Housing Action Coalition, a fiscal project of the Greenbelt Alliance, stated that the continued high failure rate has him concerned. Many sites are failing. There is competition for affordable housing funding, and infill and TOD sites that appear to have health risks will not receive funds readily. This makes getting approval difficult, and increases time and money. Mr. Colen felt that if not corrected that these issues would be detrimental to infill, TOD and affordable housing.

Andy Katz, representing Breathe California, stated he felt most infill projects are proceeding without the need for further CEQA process. The CRRPs and SAPs in San Francisco and San Jose will provide an adequate process to support development. Looking at sites in regard to public health is important. He stated that it is important to have mitigation and a public health view of projects. Mr. Katz supports the Air District to develop further streamlining tools. He is committed to be involved in dialogues that continue to help the Bay Area build a better region while protecting public health.

Vu Bang Nguyen, Land Use Program Coordinator from Urban Habitat, requested that the Board consider the thresholds in conjunction with the SCS. He is concerned with how CEQA is enforced, and how affordable housing projects can get held up. He said he would like to see more coordination between the Air District, MTC and ABAG, to create quality, walk-able, transit-oriented communities.

Deputy Air Pollution Control Officer, Jean Roggenkamp, responded that it is important to balance infill development projects and public health effects, and we have the tools for cities and counties to do that. We will be bringing forward some additional guidelines and tools, such as the community development guidelines and the standardized mitigation measures list. Staff will come back to the Board with an annual update on this.

Board Member Comments:

Chair Bates agreed that this would come back for an annual review.

Director Spering stated that he was concerned about annual review. He would like to have a workshop, so that the Board can be more involved. He requested that staff schedule a workshop when it is appropriate with sensitivity to the lawsuit, and thinks that the goal for everyone is Healthy Infill Projects (HIP).

Chair Bates asked staff to consider scheduling a workshop at an appropriate time.

Director Partin asked staff to respond to the handout from Mr. Reeve's, to have a clear understanding of what this is showing.

District Counsel Brian Bunker stated that this specific issue is one of the centerpieces of the lawsuit. On a general level what the handout was showing, is that this project would require environmental analysis. It didn't go through the initial screening and will need additional work.

Director Haggerty supported what Director Spering said, and would like quarterly reviews. He understood the sensitivity of the lawsuit, however, felt that the speakers comments were dismissed, and their issues not addressed. Coming back a year later was not acceptable to him.

Director Bates responded that the lawsuit has limited what we can discuss, and if the party withdraws their lawsuit, there can be a dialogue.

Director Gioia thinks that a parallel discussion of the policy, sensitive to lawsuit, makes sense. CRRPs were always our best approach. How do we move that process forward? Where are things in regard to the delayed implementation of the thresholds?

Mr. Broadbent noted that the risk and hazard thresholds for the new receptors were delayed to provide more time for people to get used to them and rely on them. The effective date was May 1, 2011 and now is fully in effect. This is information that is provided to help people develop their own CEQA assessment. We want to provide the best information out there.

Director Gioia inquired about the expected completion dates for the CRRPs for San Jose and San Francisco?

Ms. Roggenkamp answered that drafts are expected to be out this summer and that staff is working with the cities to help speed things along.

Director Haggerty stated that Alameda County is being sued regarding issues related to Community Action Plans. He also said his earlier comment regarding a quarterly review process was not taken seriously.

Mr. Broadbent stated that staff would bring this back to the Board toward the end of the year. It will be good timing because the SCS is under development with the coordination of MTC and ABAG, and the Community Development Guidelines will be released. More tools are becoming available, and there will be more to discuss at that time.

Director Hosterman thanked the speakers for sharing their thoughts and positions. She noted that all the Board Members return to their home jurisdictions and continue to try to achieve higher density affordable housing in their agencies, while cleaning the air and creating opportunities for healthier communities.

Board Member Action: None, informational item for discussion only.

PUBLIC HEARING

10. Public Hearing to Consider Adoption of Proposed Regulation 11, Rule 17: Limited Use Stationary Compression Ignition (Diesel) Engines in Agricultural Use; and Certification of a CEQA Environmental Impact Report (EIR)

Senior Air Quality Engineer, Guy Gimlen, presented the staff report. Mr. Gimlen gave some background information to the Board about the California Air Resources Board's (CARBs) Airborne Toxic Control Measure (ACTM) for stationary diesel engines. This is one of 14 ACTMs addressing diesel particulate. The measure was adopted in 2004, amended in 2006 to include agricultural engines, reduces exposure to toxic diesel particulate, and is applicable statewide.

It is the Air District's responsibility to enforce the ATCM. The Air District is allowed to adopt a local rule to enforce the ATCM, providing the local rule is at least as stringent as the ATCM.

The ATCM for stationary diesel engines starts with requiring engine registration. Agricultural wind machines and agricultural emergency generators are exempt from registration and low-use agricultural engines were not fully considered during development of the ATCM.

Older, dirtier diesel engines (installed before 1996) are known as Tier 0 engines, because they don't meet any emissions standards. Newer engines (Tier 1, 2, 3 & 4) are progressively cleaner.

The ATCM requires that Tier 0 engines that are greater than 100 horsepower be replaced by January 1, 2011; and 50 – 100 horsepower engines be replaced by January 1, 2012; including many infrequently-used engines.

The proposed rule addresses infrequently used engines. The agricultural diesel engine registration has resulted in

- 279 registered engines as of August, 2010
- 335 registered as of February 1, 2011
- 395 registered as of May 1, 2011

Staff is involved with continuing outreach to increase registration. Registration has revealed that agricultural diesel engines range from new to over 50 years old, that 20% operate less than 20 hours per year, that 37% operate more than 20 hours but less than 100 hours per year and that those infrequently used engines are primarily utilized for irrigation and frost protection.

60 agricultural engines have already been replaced with the Air District's Strategic Incentive funding and now comply with the ATCM.

Regulation 11, Rule 17 would provide compliance flexibility for low-use engines and applies to diesel engines over 50 HP. The proposed rule will exempt engines that are used less than 20 hours per year.

The proposed rule also provides an Alternative Compliance Plan (ACP) that defers replacement of engines used an average of less than 100 hours per year until 2020 and to 2025 for existing Tier 2 engines. The proposed rule allows for 100 additional hours of use during an "Extreme Frost Season." This proposal increases recovery of an engine's useful life and mirrors an equivalent rule in Northern Sonoma County.

The proposed rule achieves 30 – 60% greater criteria pollutant reductions than ATCM after 2020; and achieves 50 - 60% greater toxic (diesel PM) reductions than ATCM after 2020.

During the interim period of 2011 – 2020 some emission reductions will be delayed. The foregone emission reductions estimates are extremely conservative. NO_x: up to 17 – 26 tons per year (tpy) this exceeds CEQA significance threshold of 10 tpy. NO_x emissions will be mitigated by funding NO_x reduction projects to offset actual foregone emission reductions. All impacts on cancer risk, non-cancer acute and chronic health risk, and PM_{2.5} ground level concentrations are less.

The ATCM did not consider impact on low-use engines and CARB's economic analysis was based on operating engines for 1000 hours per year. The purpose of this proposed rule is to address exempt engines that are used less than 20 hours per year.

The Alternate Compliance Plan (ACP) is optional. The ACP allows farmers to recovery additional life from their engines, but owners and operators can choose the best option for their situation.

Assuming the proposed rule is deemed equivalent to the ATCM, deadline for taking advantage of the Air District's incentive funds will extend to 2020.

There will be a one-time ACP application fee of \$129. The socioeconomic analysis finds no significant adverse impact and no effect on small business or jobs. Staff has contacted agricultural officials in all 9 counties; the farm bureaus for all counties (except San Francisco); and several trade associations including grape growers, poultry farmers and dairymen.

Staff has presented information at 3 farm bureau meetings, 4 county agricultural continuing education classes, the Suisun Valley Grape Growers Association, and the Napa Viticulture Fair.

Nine workshops were held in 8 counties, with over 100 attendees. Some comments from the workshops were:

- Request for 3 year averaging of operational hours to accommodate variable weather – included
- Request for firewater pump testing and emergency use to be excluded from hours limit – is accommodated in the current ATCM
- Request for exemptions in remote locations – inconsistent with Air District-wide rules and concern for toxics

There was no public comment given on the following documents: EIR Notice of Preparation / Initial Study, Draft EIR, proposed rule, socioeconomic analysis or the staff report.

Staff recommends that the Board certify the CEQA EIR for the proposed rule, and adopt the proposed Mitigation Monitoring Plan; and adopt the proposed Regulation 11, Hazardous Pollutants, Rule 17: Limited Use Stationary compression Ignition (Diesel) Engines in Agricultural Use.

Public Comments: Chair Bates opened the public hearing.

Ms. Sandy Elles, from the Napa County Farm Bureau, appeared before the Board and stated her support of the proposed rule and her appreciation for staff's approach to improving air quality while understanding the financial concerns of farmers.

Board Member Comments:

Director Gorin appreciates the speaker coming to the meeting and was glad to hear there is support for the rule.

Director Zane asked if there were any letters of support received from the Sonoma County Farm Bureau and if there was a grant program available for farmers.

Mr. Gimlen noted that staff had been working closely with all the farm bureaus.

Mr. Roggenkamp said that there is an agriculture assistance program available and grant funds will continue to be available.

Director Wagenknecht thought that staff had been very thorough in their outreach and it was nice to see a speaker supporting the rule.

Board Member Action: Director Gorin moved to certify the CEQA EIR for the proposed rule, and adopt the proposed Mitigation Monitoring Plan; and adopt the proposed Regulation 11, Hazardous Pollutants, Rule 17: Limited Use Stationary compression Ignition (Diesel) Engines in Agricultural Use. The motion was seconded by Director Zane, and carried unanimously without objection.

PRESENTATION

11. Overview of Strategic Facilities Planning for a Joint Regional Agency Co-Location Facility

Mr. Broadbent presented the staff report. He stated that additional information would be given in the closed session immediately following this presentation. The project objective was to identify viable real estate options for the relocation of the Air District in the City of Oakland and City and County of San Francisco. The critical Air District issues are the age of the current building, the inefficient layout and the high estimated renovation/ relocation cost over the next 10 years. MTC and ABAG have lack of growth in their current facilities.

The Air District, MTC, and ABAG have been working jointly to explore alternative headquarter solutions. In December 2010, the Air District Board of Directors, MTC, and ABAG Commissioners received Phase II Study Findings and unanimously approved moving forward with identifying specific market options in Oakland and San Francisco. In December 2010, the group issued a joint Request for Proposal (RFP) for real estate transactional advisory services.

CBRE was selected in January 2011 to provide real estate brokerage services for the acquisition of an office building/space for a regional government facility. In March 2011, CBRE issued an RFP for the Acquisition of Real Property, with an April 2011 deadline for receiving proposals. 11 proposals were received showing 12 options - 3 locations in San Francisco, 8 locations in Oakland and 1 in Dublin. 3 options in Oakland and one in Dublin were outside of the established criteria and not evaluated. CBRE will review the following short-list of properties for consideration and authorization to proceed with real estate property negotiations with all five of the proposed properties resulting in a non-binding letter of intent in closed session.

The potential addresses are:

- a) **1945 Broadway St, Oakland CA:** Sears Development Company, to be developed with Phelps Development and SUDA (Owner)
- b) **1221 Broadway St, Oakland CA:** The Clorox Company (Owner)
- c) **1100 Broadway St, Oakland CA:** SKS Investments, LLC (Owner)
- d) **875 Stevenson St, San Francisco CA:** Shorenstein Realty Services, LP (Owner)
- e) **390 Main St, San Francisco, CA:** Angelo, Gordon & Co., L.P. Amerimar Enterprises, Inc. and Barnes RHPO Partners, LLC (Joint Venture)

CBRE will present the terms and conditions for the recommended final option for review and approval by each of the three agencies in July.

CLOSED SESSION

12. **Conference with Real Property Negotiator** – *(Government Code Section 54956.8) Pursuant to Government Code Section 54956.8 to confer with real property negotiators to discuss a potential acquisition and/or lease with option to purchase of real property.*

Chair Bates adjourned the meeting into a closed session at 11:45 a.m.

OPEN SESSION

Chair Bates reconvened the meeting at 11:58 a.m. and stated that no reportable action was taken in the closed session meeting.

PUBLIC COMMENT ON NON-AGENDA MATTERS

No one from the public addressed the Board at this time.

OTHER BUSINESS

13. Report of the Executive Officer/APCO – Mr. Broadbent announced that there will be an APL press event at the Port of Oakland on May 27, 2011.
14. Chairperson's Report – Chair Bates announced that the Mobile Source Committee meetings on May 26 and June 23 have been cancelled; and an Executive Committee meeting has been scheduled for May 26, 2011. He asked that Board members try to remain flexible during the summer months and be available for meetings.

15. Time and Place of Next Meeting – 9:45 A.M. Wednesday, June 1, 2011 – 939 Ellis Street, San Francisco, CA 94109.
16. Adjournment – Chair Bates adjourned the meeting at 12:00 p.m.

/s/ Kris Perez Krow

Kris Perez Krow
Clerk of the Boards