



November 9, 2007

Via U.S. Mail

Capitol Corridor Joint Powers Authority
Eugene Skoropowski
300 Lakeside Drive, 14th floor
Oakland, CA 94612

San Francisco Bay Water Transit Authority
Steve Castleberry / John Sindzinski
Pier 9, Suite 111, The Embarcadero
San Francisco, CA 94111

East Bay Regional Park District
Jim Townsend
2920 Peralta Oaks Court
Oakland, CA 94605

Western Contra Costa Transit Authority
Charlie Anderson
601 Walter Avenue
Pinole, CA 94564

RE: Hercules Multi-Modal Transit Station

Gentlemen:

Over the past several months, we have either met or spoken with you to discuss the promising potential for development of a Hercules Multi-Modal Transit Station on our site ("Transit Station"), describe our role in this effort as the landowner, and describe our effort to plan our property in conformance with years of past efforts and the current Waterfront District Master Plan. In light of plans recently circulated by the City, which are not consistent with our efforts, we wish to formally restate our position regarding both the location and function of the Transit Station.

First, we are in full support of the notion of a multi-modal station and were the initiators of expanding some of the adjacent uses to be civic rather than retail. Second, we have expended significant time and money on the design and function of this station under the auspices of cooperation, collaboration and best design practices for a transit oriented project. Of most importance, this station must be planned and designed in the context of the existing physical constraints, the built environment and the community's vision for a vibrant, pedestrian friendly Waterfront.

Our planning efforts that began in Spring of 2006 have been to incorporate the Transit Station at a location on our plan designated as Block I, in conformance with direction by the City of Hercules. Notwithstanding that direction and our efforts, in July we were informed that the City had changed its mind and would be recommending a more northerly location, further away from both existing residences and the retail/civic uses planned near the center of the Waterfront.

Our detailed analysis of the City's recent revision indicates that we cannot support either the proposed plan or location of the Transit Station.

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Our plans for the Waterfront are incorporated into our application described as the "Initial Planned Development Plan", submitted to the City on August 7, 2007. As a refinement to our application, we are submitting an update today, November 9, 2007 furthering our plan and responding to certain City comments. In particular, we have now included a bus-loop for the site on Block I. If requested, we will provide you with our current plan, reflecting our many months of planning.

Again, we are in full support of a Multi-Modal Transit Station on the Waterfront; as the landowner, we look forward to continue working cooperatively with all of you, to accommodate a location and vision of the Multi-Modal Transit Station that is physically and economically feasible, and meets the community's vision for development of their Waterfront.

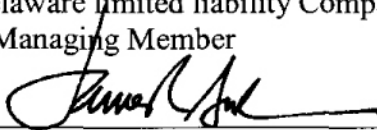
We look forward to your comments on this matter and our ready to answer any questions that you might have.

Sincerely,

Hercules Bayfront, LLC
a Delaware limited liability Company

By: APL-Hercules, LLC
a Delaware limited liability Company
Its: Manager

By: Anderson Pacific, LLC
a Delaware limited liability Company
Its: Managing Member

By: 
James R. Anderson
Managing Member

cc: Hercules City Council
Hercules Planning Commission
Hercules City Manager
Project Manager - Intermodal Transit Center