

# Exhibit 3



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File No. 68419

January 28, 2014

**VIA HAND DELIVERY AND E-MAIL**

The Honorable Mayor Tom Bates and Berkeley City Council  
Berkeley City Hall  
2180 Milvia Street  
Berkeley, CA 94704

Re: Item 8: Berkeley Civic Center Historical District Zoning Overlay

Dear Honorable Mayor Bates and Members of the City Council:

On January 28, 2014, the Berkeley City Council will discuss the proposed Berkeley Civic Center Historical District Zoning Overlay ("Proposed Zoning Overlay"), which would encompass the existing Civic Center Historic District in Berkeley – including the current location of the Downtown Berkeley Main Post Office ("Berkeley MPO"). As explained below, the United States Postal Service ("USPS") opposes any enactment of the Proposed Zoning Overlay.

From the City Council's original referral to the Planning Commission, the Proposed Zoning Overlay appears to be an attempt to dissuade the USPS from exercising its right to sell the Berkeley MPO building. In addition, the Proposed Zoning Overlay is legally deficient for a number of reasons. In summary, the USPS requests the City Council table the Proposed Zoning Overlay because (1) the City failed to provide adequate notice prior to the Planning Commission's hearings on the proposal; (2) any action on the Proposed Zoning Overlay would be unlawful prior to complying with CEQA; (3) the Proposed Zoning Overlay appears to be intended to interfere with the USPS's potential sale of the MPO, which constitutes unlawful spot zoning; (4) the apparent attempt to lower the market value of the MPO combined with the City's interest in acquiring the MPO would subject the City to Kloppling damages; and (5) the Proposed Zoning Overlay is inconsistent with the City's General Plan and Downtown Area Plan ("DAP"). Throughout this process, the USPS has taken every opportunity to provide comments and otherwise reach out to the City regarding the Proposed Zoning Overlay. The USPS urges the City Council to table the Proposed Zoning Overlay.