

SPA RESOLUTION NO. 11-1

A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND AND THE SURPLUS PROPERTY AUTHORITY OF THE CITY OF RICHMOND APPROVING A LETTER OF INTENT WITH AUTO WAREHOUSING CO. TO FACILITATE THE TRANSPORTATION OF SUBARU OF AMERICA VEHICLES TO AND FROM THE PORT OF RICHMOND (LETTER), AUTHORIZING THE CITY MANAGER TO EXECUTE THE LETTER, AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE ANY AGREEMENTS REQUIRED TO EFFECTUATE THE LETTER; AND APPROVING AN ADDENDUM TO THE HONDA PROJECT PORT OF ENTRY ENVIRONMENTAL IMPACT REPORT

WHEREAS, in 2004, the Surplus Property Authority of the City of Richmond (“SPA”) leased to Richmond Joint Powers Financing Authority (“JPFA”), and JPFA subleased to the City of Richmond (“City”) certain property located in or near the Pt. Potrero Marine Terminal (“PPMT”) as a terminal facility;

WHEREAS, City and Auto Warehousing Co., a Washington corporation (“AWC”) entered into an Amended and Restated Lease Agreement dated May 1, 2004, whereby City sub-subleased the facility to AWC (the “Amended Lease”);

WHEREAS, AWC and City amended the Amended Lease pursuant to that certain Second Amended and Restated Lease Agreement dated May 19, 2009, to, among other things, facilitate the transportation of vehicles by or on behalf of American Honda Motor Co., Inc. (“AHM”) to or from PPMT (the “Second Amended Lease”);

WHEREAS, City and Translogix, L.L.C., a Washington limited liability company (“Translogix”) entered into that certain Marine Terminal Operating Agreement dated May 19, 2009, for the provision of certain administrative and clerical terminal operation and dock side services to vessel operators transporting vehicles to or from the PPMT auto facility (the “Operating Agreement”);

WHEREAS, the PPMT auto facility and rail facility capital improvements constructed as a result of the Second Amended Lease and Operating Agreement (the “Projects”) were subject to the California Environmental Quality Act, as amended (Public Resources Code, Sections 21000 – 21178), and the California Environmental Quality Act Guidelines (California Code of Regulations Title 14, Chapter 3) (collectively, “CEQA”);

WHEREAS, after completing the environmental review for the Projects in accordance with the requirements of CEQA, the City certified the Environmental Impact Report, adopted a Statement of Overriding Considerations, and adopted a Mitigation and Monitoring Report on November 18, 2008 (collectively, the “Honda CEQA Approvals”);

WHEREAS, the mitigation measures and conditions of approval set forth in Resolution No. 129-08 for the Honda CEQA Approvals that have not yet been completed or are ongoing obligations remain in full force and effect;

WHEREAS, the operations and buildings originally occupied by Glovis for the import of Kia and Hyundai automobiles to or from PPMT were described in the Honda Port of Entry EIR and were part of the improvements and operations approved for PPMT;

WHEREAS, the Hyundai and Kia operations have recently been terminated;

WHEREAS, City and AWC desire to replace the terminated Hyundai and Kia operations with a five-year commitment by Subaru of America (“Subaru”) to relocate to PPMT and have memorialized that intent pursuant to the Letter of Intent (“Letter”) attached to the agenda report accompanying this resolution and incorporated herein by references (“Agenda Report”);

WHEREAS, the Subaru auto processing facility (“Subaru Auto Processing Facility”) differs marginally from the PPMT operations evaluated in the Honda Port of

Entry Project EIR and therefore, in an abundance of caution, the City has prepared an Addendum (attached to the Agenda Report) in accordance with Section 15164 of the CEQA Guidelines;

WHEREAS, the Subaru Auto Processing Facility involves only minor changes to the Projects described in the Honda Port of Entry EIR, none of which changes will result in any new or more severe environmental effects;

WHEREAS, there are no changes in circumstances or new information that would otherwise warrant any subsequent environmental review under Public Resources Code section 21166 or CEQA Guidelines section 15162; and therefore the City may determine that the Honda CEQA Approvals address the potential environmental impacts of the Subaru Auto Processing Facility, and no further environmental review is necessary;

WHEREAS, by the Agenda Report the City Council has been provided with additional information upon which the findings and actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED, that the City Council and Surplus Property Authority hereby find the above recitals are true and correct and have served, together with the Agenda Report, as the basis for the findings and actions set forth in this Resolution.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the City Council and Surplus Property Authority hereby approve and authorize the City Manager to execute the Letter of Intent with AWC to facilitate the transportation of Subaru vehicles to or from the Port of Richmond's Pt. Potrero Marine Terminal, and authorizes the City Manager to negotiate and execute any agreements required to effectuate the Letter.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Addendum has been completed in compliance with CEQA and the CEQA Guidelines and the City's procedures, and the City Council, having final approval authority over the Subaru Auto Processing Facility, has reviewed and considered the information contained in the Addendum and found it adequately discusses the environmental effects of the Subaru Auto Processing Facility.

I certify that the foregoing resolution was passed and adopted by the members of the Richmond City Council at a joint meeting held on Tuesday, February 15, 2011, by the following vote:

AYES: Councilmembers Bates, Beckles, Booze, Rogers, Vice Mayor Butt, and Mayor McLaughlin

NOES: None

ABSTENTIONS: None

ABSENT: Councilmember Ritterman.

DIANE HOLMES
Clerk of the City of Richmond

[SEAL]

Approved:

GAYLE MCLAUGHLIN
Mayor

Approved as to form:

RANDY RIDDLE
City Attorney

State of California }
County of Contra Costa } : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 11-1**, finally passed and adopted by the City Council of the City of Richmond at a joint meeting held on February 15, 2011.