

RESOLUTION NO. 91-19

**RESOLUTION OF THE COUNCIL OF THE CITY OF RICHMOND, CALIFORNIA,
URGING THE CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
DEPARTMENT OF TOXIC SUBSTANCES CONTROL TO ISSUE A REMEDY
THAT A L L O W S T H E Z E N E C A P R O P E R T Y T O B E R E D E V E L O P E D
A C C O R D I N G T O T H E A P P R O V E D R I C H M O N D B A Y S P E C I F I C P L A N**

WHEREAS, on December 20, 2016, the Richmond City Council certified the Final Environmental Impact Report (State Clearinghouse No. 2014092082) and adopted the Richmond Bay Specific Plan (RBSP) as Ordinance No. 21-16 N.S. adopted December 20, 2016; and

WHEREAS, on July 9, 2018, the California Environmental Protection Agency's Department of Toxic Substances Control (DTSC) published the Draft Feasibility Study/Remedial Action Plan (Draft FS/RAP) for Lot 1, Lot 2, and the Uplands Portion of Lot 3 of the Zeneca/Former Stauffer Chemical Site (Site), located in the City; and

WHEREAS, the Draft FS/RAP analyzed several alternatives for remediation of the Site, and recommended selection of "Alternative 3A" as the preferred alternative on the basis of criteria including cost-effectiveness, long-term remedial effectiveness, and protectiveness of human health and the environment; and

WHEREAS, alternative 3A meets all modern State and Federal standards for environmental safety and has been determined by DTSC to be appropriate for the land uses anticipated for this site; and

WHEREAS, the Site is currently underutilized, and portions of the Site have remained vacant for more than a decade. The State of California, the San Francisco Bay Area, the County of Contra Costa, and the City are all experiencing a housing shortage, and the redevelopment of the Site would provide a substantial opportunity to add needed housing within the City; and

WHEREAS, SLF – Richmond Bay LLC is in escrow to acquire the Zeneca Property by means of either foreclosure or a deed in lieu of foreclosure; and

WHEREAS, SLF – Richmond Bay LLC and its partners intend to construct a mixed use development, consistent with the allowable development within the Richmond Bay Specific Plan, on approximately 65 acres of the Zeneca property. The project is currently envisioned to provide medium to high density residential apartments, townhomes, condominiums and flats, along with a grocery store in the first phase of the project. Associated retail, commercial, R&D and/or office space uses may follow in subsequent phases; and

WHEREAS, SLF – Richmond Bay LLC intends to invest up to \$65 Million for on-site infrastructure for the proposed project, which will protect the environment and community in compliance with California Environmental Protection Agency (CalEPA) requirements; and

WHEREAS, SLF – In addition to all CalEPA requirements for protecting the public being met, Richmond Bay LLC intends to purchase a Pollution Legal Liability insurance policy providing coverage for personal injury and property damage claims, should such claims arise from the environmental condition of the property; and

WHEREAS, SLF – Richmond Bay LLC intends to provide support for Richmond Promise by incorporating a perpetual funding mechanism into the title for each residential unit that would deliver a "resale contribution" to Richmond Promise of 40 basis points on the resale of homes not the initial sale; and

WHEREAS, SLF – Richmond Bay LLC intends to further support the Richmond Promise by contributing \$1,000,000 upon first Certificate of Occupancy, \$500,000 upon the 500th Certificate of Occupancy, and \$500,000 upon the 1,000th Certificate of Occupancy; and

WHEREAS, SLF – Richmond Bay LLC intends to provide support for local community program like RichmondBUILD Academy in the amount of \$1 Million; and

WHEREAS, SLF – Richmond Bay LLC intends to provide facility improvements to the Richmond Fire Department Station 64 in the amount of \$2 Million; and

WHEREAS, SLF – Richmond Bay LLC intends to provide enhancements and upgrades to the Booker T. Anderson community center and public park in the amount of \$3 Million; and

WHEREAS, SLF – Richmond Bay LLC intends to provide Trailhead with Parking and Restroom facilities for the San Francisco Bay Trail in the amount of \$3 Million to be operated and maintained by the Regional Parks Department; and

WHEREAS, SLF – Richmond Bay LLC intends to provide through a competitive process, \$2 Million over 5 years to award grants to highly qualified organizations that provide programs to Richmond residents focused on community, youth, and youth sports; and

WHEREAS, SLF – Richmond Bay LLC intends to provide in City of Richmond Public Safety and At Risk Youth programs, direct grant in the amount of \$750,000; and

WHEREAS, the SLF – Richmond Bay LLC development will fund school fees at the rate current at time of building permits, currently \$5.05 per square foot of residential development and \$0.61 per square foot of commercial development. These fees are currently estimated to total \$18 Million; and

WHEREAS, SLF – Richmond Bay LLC intends to enter into a Project Labor Agreement, First Source Agreement for Construction Contracts with City of Richmond, and Community Workforce and Project Stabilization Agreement; and

WHEREAS, SLF – Richmond Bay LLC intends to fully comply with the requirements ordered by the terms of the city of Richmond’s then current Inclusionary Housing Ordinance; and

WHEREAS, SLF – Richmond Bay LLC intends to memorialize the above recitals in a Community Benefits Agreement (CBA) that will also include an additional \$8.25 million in funding for community benefits, delivered to the City between the sixth and tenth year of the life of the development, to be directed by the City Manager with City Council approval; and

WHEREAS, SLF – Richmond Bay LLC has submitted a “draft” Prospective Purchaser Agreement (PPA) to CalEPA Department of Toxic Substances Control (DTSC) and is negotiating its form and content with DTSC; and

BE IT RESOLVED that the Richmond City Council urges DTSC to issue a Final FS/RAP and approve “Alternative 3A” that will allow the Site to be redeveloped within the allowances provided in the approved EIR and the Richmond Bay Specific Plan, and that will further avoid hampering the City in its efforts to redevelop the Southeast Shoreline Area of the Richmond Bay Specific Plan:

1. To fulfill DTSC's mission and implement all applicable requirements under the California Health and Safety Code; and
2. To assure the City is not hampered in its efforts to redevelop the Southeast Shoreline Area in accordance with the RBSP.

BE IT FURTHER RESOLVED that the Richmond City Council directs the City Manager to negotiate a CBA consistent with this resolution for return to City Council.

BE IT FURTHER RESOLVED that the Richmond City Council directs the City Manager to send a copy of this resolution along with a cover letter to Acting DTSC Director Meredith Williams requesting that the community benefits articulated above are included in any PPA that is approved for the property.

I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held September 24, 2019, by the following vote:

AYES: Councilmembers Bates, Johnson, Myrick, Vice Mayor Choi, and Mayor Butt.
NOES: Councilmembers Martinez and Willis.
ABSTENTIONS: None.
ABSENT: None.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:

TOM BUTT
Mayor

Approved as to form:

BRUCE GOODMILLER
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. 91-19**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on September 24, 2019.

Certified as a True Copy
PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND, CALIFORNIA
BY *Taber Lundy*
ASSISTANT