

RESOLUTION OF THE COUNTYWIDE OVERSIGHT BOARD

FOR THE COUNTY OF CONTRA COSTA

Adopted this Resolution on 09/23/2019 by the following vote:

AYE: ☐

NO: ☐

ABSENT: ☐

ABSTAIN: ☐

RECUSE: ☐



Resolution: 2019/54

RESOLUTION 2019/54 OF THE COUNTYWIDE OVERSIGHT BOARD, CONTRA COSTA COUNTY AUTHORIZING AN AMENDMENT TO THE FY 2019-2020 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) BUDGET TO ADDRESS COSTS RELATED TO TERMINAL ONE SOIL REMEDIATION AND DEMOLITION WORK

WHEREAS, the Successor Agency to the Richmond Community Redevelopment Agency (the "Successor Agency") is the successor entity to the former Richmond Community Redevelopment Agency (the "Former Redevelopment Agency") (formerly known as the Richmond Redevelopment Agency); and

WHEREAS, the City of Richmond (the "City") is the owner of certain real property in the City of Richmond, Contra Costa County, California, comprised of approximately 13.3 acres, commonly known as the Terminal One Property (the "Property"). The Property consists of approximately 12.6 acres of dry land and approximately .7 acres of submerged land. The Property is located at 1500 Dornan Drive, Richmond, California (Assessor's Parcel Numbers: APN 560-042-007, APN 560-042-010, and APN 560-420-006); and

WHEREAS, in or about September 2005, the Former Redevelopment Agency and Ashland, Inc., Pertomark, Inc., Atlantic Richfield Company, Conoco Philips Company, Honeywell International, Inc., Bridgestone/Firestone North American Tire LLC, Grosvenor E. Bryant, Time Oil Co., The United States of America, Texaco Downstream Properties, Inc. and various Petromark, Inc. insurers (collectively, "Petromark") entered into that certain Terminal One Settlement Agreement (the "Settlement Agreement") providing for the payment of \$3,200,000 (the "Remediation Funds") to the Former Redevelopment Agency specifically for remediation of the Property in anticipation of redevelopment of the Property which was to be administered by the Former Redevelopment Agency; and

WHEREAS, the Settlement Agreement requires both the City and the Former Redevelopment Agency "to perform or cause to be performed all environmental work required to study, investigate, evaluate, clean up, and abate the Hazardous Substances (as defined in the Settlement Agreement) on, under, or emanating from the Site (as defined in the Settlement Agreement and referring to the Property) at any time, to the satisfaction of the Regional [Water] Board and any and all other regulatory agencies that validly assert (or purport to validly assert) jurisdiction over the Hazardous Substances at the Site ... This obligation applies to the Regional [Water] Board's Order No. R2-2004-0045, and shall apply to any future order and/or directive by the Regional [Water] Board and/or any other regulatory agency ... to study, investigate, evaluate, clean up, and abate the Hazardous Substances on, under, or emanating from the Site at any time[]" (the "Remediation Work") [Section XI.B. of the Settlement Agreement]; and

WHEREAS, pursuant to AB 1x 26, enacted on June 28, 2011; AB 1484, enacted on June 27, 2012; and SB 107, enacted on September 22, 2015 (collectively, the "Dissolution Law"), all redevelopment agencies in California were dissolved as of February 1, 2012. As set forth in the Dissolution Law, all authority, rights, powers, duties and obligations previously vested with former redevelopment agencies under the Community Redevelopment Law, were vested in the successor agencies; and

WHEREAS, pursuant to the Dissolution Law, the Successor Agency is responsible for the wind-down of the affairs of the Former Redevelopment Agency, including without limitation the obligation to comply with the terms of the Settlement Agreement to ensure that the Remediation Work is performed; and

WHEREAS, there is currently \$1,302,709 of Remediation Funds available under the Settlement Agreement for Remediation Work; and

WHEREAS, Terminal One Development (TOD) and the City entered into that certain Terminal One Land Disposition Agreement dated August 6, 2014 (the “LDA”) which, among other things, makes provision for TOD’s purchase of the Property for the development of a public park and residential project (the “Terminal One Project” or “Project”); and

WHEREAS, the Project includes environmental remediation to the satisfaction of City and the San Francisco Regional Water Quality Control Board (the “Regional Water Board”), all in response to Regional Water Board Order No. R2-2004-0045 (the “Cleanup Order”); and

WHEREAS, pursuant to the Environmental Remediation Reimbursement Agreement (the “Reimbursement Agreement”) between the Successor Agency and TOD dated January 26, 2017, TOD is to perform the Remediation Work and to use the currently available Remediation Funds to reimburse TOD for costs incurred in performing the Remediation Work as prescribed by the Cleanup Order or “any future order and/or directive by the Regional [Water] Board and/or any other regulatory agency” (Section XI.B. of the Settlement Agreement); and

WHEREAS, the Successor Agency desires to amend the FY 2019/2020 Recognized Obligation Payment Schedule Budget, increasing it by \$1,052,709 to perform Remediation Work this fiscal year in furtherance of the Cleanup Order.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board finds the above recitals are true and correct and have served, together with the Oversight Board Report, as the basis for the findings and actions set forth in this Resolution.

BE IT FURTHER RESOLVED that the Oversight Board authorizes an amendment to the FY 2019-2020 Recognized Obligation Payment Schedule (ROPS) Budget, attached as an exhibit to this resolution, to address costs related to Terminal One soil remediation and demolition work.

PASSED AND ADOPTED this 23rd of September, 2019 by the following vote:

AYES: NOES: ABSENT: ABSTAIN:

ATTEST:

_____ Oversight Board Secretary

Contact:

cc: Alan Wolken, Maureen Toms