

CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY
CALIFORNIA RECYCLE UNDERUTILIZED SITES REMEDIATION PROGRAM
Meeting Date: November 17, 2020

*Request to Amend Infill Grant Documents under the California Recycle Underutilized Sites
("CALReUSE") Remediation Program*

Prepared by: *Ethan Wieser*

Applicant: MacArthur Transit Community Partners, LLC	Type of Funding: Grant
	Amount Disbursed: \$2,981,000
	Resolution No.: 20-03-003
	Prior Actions: Application Approved 11/19/08 Amended 8/16/16 Amended 12/13/16
Project Name: MacArthur Transit Village	
Project Location: Oakland (Alameda County)	

Summary. MacArthur Transit Community Partners, LLC, ("Grantee") requests an amendment to the Infill Grant Agreement to extend the term until June 30, 2023, to comply with additional soil gas vapor monitoring required by the San Francisco Bay Regional Water Quality Control Board ("Water Board").

Background of the Approved Project. On November 19, 2008, the Board approved a grant in the amount of \$2,981,000 for the remediation of a brownfield site that previously contained an automotive repair garage, two gas stations, and on-site dry cleaning operations.

The MacArthur Transit Village Project is located in North Oakland. The neighborhood offers a mix of community amenities and employment opportunities in the immediate vicinity. Two of the region's largest employers, Alta Bates Summit Medical Center and Kaiser Permanente Hospital, are both located within a half-mile of the project and together provide jobs to over 6,000 people. A number of community amenities, including, among others, places of worship, senior care facilities, pharmacies, community centers, and restaurants, are also located within a half-mile of the project. The MacArthur Transit Village Project is part of a larger 8.2-acre infill development project area planned for redevelopment.

At the August 16, 2016, meeting, the CPCFA Board approved the following modifications to the Infill Grant Agreement: a change to the number of housing units from 312 units (94 affordable) to 377 units (89 affordable), an extension to the term of the Infill Grant Agreement until December 31, 2020, and consent to the transfer of Parcels A and C1 to Hines Interests, LP, and Parcel B to Boston Properties, LP, for the development of market rate housing.

Current Status. The Grantee completed the first phase of housing in March 2016, with the completion of the Mural Apartments, a 90 unit (89 affordable) mixed-use transit-oriented

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development project located adjacent to the MacArthur BART Station. The remaining market rate housing units were completed in 2019 and are currently in the leasing phase.

Remedial work under the CALReUSE grant has been completed. However, the oversight agency for the project, the Water Board, required the developer of Parcel C1 to monitor soil gas vapors for a specified period before providing a “no further action” letter. The vapor monitoring was originally scheduled to be complete in the second quarter of 2020. However, the Water Board has extended the monitoring period until the fourth quarter of 2022, which is beyond the current grant expiration date of December 31, 2020.

Current Request. The Grantee anticipates completing the soil gas vapor monitoring in the fourth quarter of 2022 and is optimistic that the Water Board will issue a “no further action” letter at that time. The Grantee anticipates the “no further action” letter and the final report to CPCFA will take about six months from the end of the monitoring period and has requested an extension of the Infill Grant Agreement until June 30, 2023.

CPCFA staff has also discussed with the Grantee the possibility of terminating the Grant earlier than the proposed extension date should the Water Board issue a letter stating that the remediation is complete even with ongoing soil gas vapor monitoring. CPCFA’s environmental consultant, the Department of Toxic Substances Control, would also need to deem the Water Board’s letter sufficient in order to sign off on the Brownfield Remediation Final Report.

Staff Recommendation. Staff recommends approval of Resolution No. 20-03-003 to extend the term of the MacArthur Transit Village Infill Grant Agreement until June 30, 2023.

**A RESOLUTION OF
THE CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY
APPROVING THE REQUEST TO AMEND THE INFILL GRANT DOCUMENTS
UNDER THE CALIFORNIA RECYCLE UNDERUTILIZED SITES
(CALReUSE) REMEDIATION PROGRAM**

November 17, 2020

WHEREAS, the California Pollution Control Financing Authority (the “Authority”), a public instrumentality of the State of California, is authorized by the Authority’s Regulations (Article 9 (commencing with Section 8090) of Title 4 of the California Code of Regulations)”to implement and make specific the statutory provisions of the California Recycle Underutilized Sites (CALReUSE) Remediation Program; and

WHEREAS, Section 53545.14 of the Health and Safety Code authorizes the CALReUSE Remediation Program to administer grant and loan funding for the purpose of brownfield cleanup that promotes infill residential and mixed-use development, consistent with regional and local land use plans; and

WHEREAS, on November 19, 2008, the Authority approved a grant for MacArthur Transit Community Properties, LLC, (“Grantee”) in the amount of \$2,981,000, as reflected in that resolution; and

WHEREAS, the Grantee has the authority and responsibility to complete the Brownfield Infill Project and Infill Development Project as described in the Infill Grant Agreement dated December 1, 2010 (“Agreement”); and

WHEREAS, the remediation has required additional soil gas vapor monitoring by the San Francisco Bay Regional Water Quality Control Board (“Water Board”) until December 2022; and

WHEREAS, the Grantee cannot complete the Brownfield Remediation Final Report as required by Section 5.3 of the Infill Grant Agreement until the monitoring is complete and the Water Board issues a no further action letter; and

WHEREAS, the Grantee has requested an extension to the term of the Agreement until June 30, 2023; and

WHEREAS, an amendment to the Agreement by the Authority is now sought;

NOW, THEREFORE, BE IT RESOLVED by the California Pollution Control Financing Authority, as follows:

Section 1. The term of the Infill Grant Agreement dated December 1, 2010, is extended to June 30, 2023.

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Section 2. Except as specifically amended in this and prior Authority resolutions, all provisions and conditions of the Infill Grant Agreement dated December 1, 2010, shall remain unchanged and in full force and effect.