

San Francisco Bay Conservation and Development Commission

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Agenda Item #8

November 22, 2019

Application Summary Terminal One Development

(For Commission consideration on December 5, 2019)

- Permit Application Number:** 2018.006.00
- Applicants:** Terminal One Development, LLC, and City of Richmond
- Project Description:** Develop a 13.8-acre residential neighborhood, including a waterfront park.
- Location:** In the Bay and within the 100-foot shoreline band, at 1500 Dornan Drive, in the City of Richmond.
- Application Filed Complete:** October 21, 2019
- Deadline for Commission Action:** January 19, 2020
- Staff Contact:** Ethan Lavine (415/352-3618; ethan.lavine@bcdc.ca.gov)

Figure 1. The project site includes the Terminal One Wharf, which is proposed for reuse as a waterfront park. The warehouse on the wharf would be demolished.



Project Overview

Project Description

The Terminal One Development Project would include a 316-unit residential neighborhood with approximately 2,500 square feet of commercial and retail uses. Along the shoreline, a new street named Shoreline Drive would be constructed, as would a waterfront park, including an approximately 1.15-acre portion of the park atop the historic Terminal One Wharf. At full build-out, approximately 590 to 920 residents and employees could use the site daily.

The project would involve development both within and outside the Commission's permitting jurisdiction. The majority of the project, including most of the residential development, is located outside the Commission's permitting jurisdiction. In the Bay, the Terminal One Wharf would be retrofitted to accommodate development of the Wharf Park. Within the Commission's 100-foot shoreline band, the project would primarily include parks, open space, and the new Shoreline Drive.

Bay Fill

The project would involve no new coverage of the Bay, beyond the existing Terminal One Wharf. Proposed work in the Bay includes retrofitting the wharf structure by constructing a concrete overlay on the wharf deck and constructing the new Wharf Park.

Public Access

The project would provide approximately 5.33 acres of new dedicated public access areas in a location where no public access to the Bay shoreline currently is provided. The public access areas include the approximately 1.15-acre waterfront park, extensions of the San Francisco Bay Trail along the shoreline and along Brickyard Cove Road, a Rails-to-Trails Pathway, a public plaza, a public paseo, bicycle parking, a shoreline ring-road with accessible vehicular shoreline parking, and other improvements. Additionally, the project would provide a 0.68-acre guaranteed open space area over a portion of the Bay, to ensure open views will be maintained in the future.

Flooding and Sea Level Rise

The project is designed to be mostly resilient to flooding assuming up to 3 feet of sea level rise and a 100-year storm event. The existing Terminal One Wharf was originally constructed to an elevation that is not anticipated to experience overtopping from storm-driven flooding until sea levels rise by 3 feet or more. Within some upland areas of the project site, the applicants propose to place clean fill to raise the grade to make the project more resilient to sea level rise. For instance, the Bay Trail will be developed at an elevation of +14.5 feet NAVD88, in part so that it might serve as an embankment that would provide protection against flooding of those areas inland of it during a 100-year storm with up to 3.5 feet of sea level rise.

One portion of the shoreline, between the wharf and the adjoining property to the south, is relatively low-lying and vulnerable to flooding during some storm events today. The applicants propose either to close this area in the future when it becomes subject to increasingly frequent flooding, or alternatively, to adapt this segment of the shoreline so that it will remain accessible as sea levels rise.

The 2018 State of California Sea Level Rise Guidance states that projects planned with a “medium-to-high” level of risk aversion should plan for sea level rise of 3 feet or more between 2060 and 2070. The applicants propose to prepare an Adaptive Flood Risk Management Plan starting in 2035, which would be updated on an ongoing basis every 10 years thereafter, to identify needed adaptive management measures to achieve resilience to sea level rise of 3 feet or more, and to establish a timeline and process for implementing these measures.

Schedule and Cost

Construction preparation would begin as early as 2020 and occur over two to five major phases, through 2026. The waterfront park would be built in the first phase of the project. The estimated total project cost is approximately \$212 million.

Issues Raised

The staff believes the primary issues raised by the proposed project are:

- (1) whether it is consistent with the Commission’s fill policies, including those related to safety of fills, natural resources, water quality, and sea level rise; and
- (2) whether the proposed public access is the maximum feasible consistent with the project, and otherwise consistent with the Commission’s policies related to public access, recreation, and scenic views.

Staff Notes

The staff notes the following considerations for the Commission:

- **Application Fee.** The applicants have appealed the permit application fee. Under the Commission’s regulations, the fee is calculated as a percentage of the “total project cost,” which includes, as defined in the Commission’s regulations, “all aspects of the project both inside and outside the Commission’s jurisdiction” (14 CRR Appendix M, section(d)). The total project cost for this project is \$211,475,449, as determined using the methodology outlined in the Commission’s regulations. Based on this total project cost, a fee representing 0.11% of the total project cost was assessed and paid by the applicant. However, payment of the fee was made in conjunction with the applicants’ appeal of the fee. The Commission’s regulations (14 CRR Appendix M section (d)) provides, in part, that: “Pending resolution of the amount of the fee, the applicant shall pay the fee that the Executive Director assesses and shall file a letter explaining why the fee is incorrect....When an applicant appeals a fee, the Commission shall determine the correct fee at the time it votes on the application....” Two letters, dated October 4, 2019, and July 22, 2019, outlining the basis of the applicants’ appeal are included as



Exhibit C, and a letter by Chief Counsel Marc Zeppetello responding to the applicants' July 22 letter and outlining the Commission staff's position on the appropriateness of the fee is included as Exhibit D.

- **Review by Advisory Boards.** The Commission's advisory Engineering Criteria Review Board (ECRB) and Design Review Board (DRB) received a joint briefing on the project on June 7, 2016. The boards also reviewed the project at their subsequent meetings.
 - **Engineering Criteria Review Board.** The project was reviewed by the ECRB on May 24, 2017, August 8, 2017, November 1, 2017, and September 26, 2018. The ECRB's review primarily focused on criteria regarding the seismic and engineering design safety of the historic wharf and adjacent soil improvements. Through their four reviews of the project, the ECRB requested and evaluated information related, in part, to wharf pile deterioration status and potential progression to more severe levels of damage, wharf and pile maintenance needs over time, function of the proposed Deep Soil Mix (DSM) barrier under seismic events and its ability to buffer the wharf from lateral ground displacement in a large earthquake, strength parameters and characterizations of soil and mud underneath and adjacent to the wharf structure, geotechnical and seismic instrumentation, and the impacts of sea level rise on the wharf structure. The ECRB accepted the proposed engineering criteria for the wharf and soil improvements as being adequate. Through their review of the project, the ECRB had comments and recommendations related, in part, to ensuring that long-term monitoring and maintenance of the wharf and piles were incorporated into the project, that seismic instrumentation be provided, that the design for the DSM (a design-build element) be reviewed by BCDC and a peer-review panel prior to construction, and consideration of a long time horizon and specific adaptation strategies for sea level rise.
 - **Design Review Board.** The project was reviewed by the DRB on August 7, 2017. The DRB commented favorably on developing the Rails-to-Trails Pathway along the location of the historic rail line, recognizing that in time this area would be inundated by flooding. Board members considered whether it would be preferable to install artificial turf or plant natural grass within the lawn area of the Wharf Park. Board members commenting on the choice favored use natural grasses rather than artificial turf in the waterfront park due to maintenance and durability questions, and because natural grass would be more comfortable for users on warm days. Board members also discussed the ideal alignment for the Bay Trail, including whether it should run along the edge of the wharf or along the alignment proposed in the application. Board members were split over the alignment that worked best, but those in support of the proposed alignment said that it allowed for people to enjoy the edge of the wharf deck without worrying about conflicts from bicycles.

Applicable Policies

The following policies are applicable in the Commission's review of the proposed project:

- McAteer-Petris Act: Sections 66602 (Water-Oriented Land Uses and Public Access), 66605 (Allowable Bay Fill) and 66632.4 (Maximum Feasible Public Access)
- San Francisco Bay Plan policies on: Fish, Other Aquatic Organisms, and Wildlife; Water Quality; Water Surface Area and Volume; Climate Change; Safety of Fills; Recreation; Public Access; Appearance, Design, and Scenic Views; and, Other Uses of the Bay and Shoreline

Exhibits

- A. Vicinity Map
- B. Proposed Site Plan
- C. Letters from Applicants Contesting Application Fee
- D. Letter from BCDC to Applicants Regarding Application Fee