



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of May 8, 2018

TO: Members of the City Council

SUBMITTED BY: David Biggs, City Manager
Robert Reber, Planner/Project Manager

SUBJECT: Hercules Point Update and Approve Letter to East Bay Regional Parks District Board

RECOMMENDED ACTION:

- 1) Receive report, discuss, and provide direction, if any.
- 2) Approve and authorize the Mayor to sign a letter to the President and Board Members of the East Bay Regional Parks District.

FISCAL IMPACT OF RECOMMENDATION:

No actions required or recommended at this time, thus no financial impacts. Future activities leading to the development of options for Hercules Point and the cost of any improvements will have a fiscal impact.

DISCUSSION:

Background/History: Hercules Point is a 10.962-acre parcel that juts into San Pablo Bay at the western edge of Hercules, separated from the rest of the City to the east by the Union Pacific railroad tracks. Hercules Point is part of the former 1,300-acre Hercules Properties, Ltd. (HPL) property, which operated from 1879 to 1977, primarily in manufacturing chemicals for explosives and fertilizers. HPL facilities on the Point included a power house building, an evaporation pond, a fuel storage tank farm, and a large ammonia tank. As a result of the past industrial operations, site soils were impacted with metals (arsenic, lead, mercury) and total petroleum hydrocarbons.

The facility was the subject of extensive site characterization, risk assessment, and remedial activity during the 1980s and 1990s. The environmental cleanup work was conducted under the oversight of the CAL-EPA Department of Toxic Substances Control (DTSC). Remediation at the Point was conducted in 1995–96 and included both areas of drylands (uplands) and wetlands (tidal wetlands make up 35% of the 11-acre Point). Approximately 6,500 cubic yards of impacted soil was removed from the drylands, and approximately 8,500 cubic yards from the wetlands. Remnants of a historic

pier remain in place, as do the former wastewater evaporation pond and foundation slabs for the former powerhouse building and ammonia storage tank.

Although the greater HPL property was granted a remedial certification and unrestricted land use designation in 1997, a *Covenant & Agreement to Restrict Use of the Property* (Deed Restriction) was recorded for Hercules Point in June 1996 (see Attachment 2). Unless further remediation occurs, the deed restriction limits future development of the Point to commercial or industrial uses. The deed restriction also states that no significant disturbance of the soils, including grading or excavation work, shall be performed without notifying the DTSC. The deed restriction specifies that impacted soil brought to the surface by excavation shall be managed as hazardous waste unless sampling and testing demonstrates otherwise.

Ownership: The City acquired the Hercules Point parcel (Assessor Parcel Number 404-010-005-01) as one of the “waterside” properties included in the Purchase and Sale Agreement with Hercules Bayfront, LLC in 2012 [see Attachment 3, Exhibit J(2) of the Implementing Development Agreement for the Bayfront]. In exchange for the “waterside” properties, the City granted Hercules Bayfront \$493,200 in Development Impact Fee Credits for the combined 39.56 acres. The City accepted the properties in “As Is” condition, and agreed “to bear all costs and obligations in connection with the use of the land, including without limitation any environmental clean-up/remediation costs, and the costs, if any, of creating vehicular and/or pedestrian access to the land by bridge, boardwalk, or otherwise for the property.”

Zoning/Planning: Ever since 1998 when the City adopted its current General Plan, Hercules Point has been considered a key feature and future amenity of the Hercules Waterfront District. The Point has a General Plan & Land Use designation of “Public Open Space” (P/QP-O), suitable for future open space dedications along the Bay and within sensitive habitat areas such as wetlands and along the Refugio Creek corridor. Development would not typically be allowed within this area except for recreation facilities, and caretaker housing and accessory structures directly related to the use and maintenance of an open space, public park, or recreation area.

The Waterfront District Master Plan (Chapter 3, Civic Space Standards, p. 3-6) more specifically describes and regulates Hercules Point as follows:

“Hercules Point is intended to provide approximately 11 acres of important regional open space, drawing visitors not only from the community of Hercules but also the entire San Francisco Bay Area due to its connection to the Multi-Modal Transit Station. Hercules Point will provide the only opportunity within Hercules for direct access and interaction with the Bay, a vital element for the City and region. The Point will provide various spaces for both active and passive recreation. Public restroom facilities and other appropriate or necessary structures should also be included on site within well-designed ancillary buildings. The landscaping will consist of trees, lawns, paths, trails, and shrubs all naturally disposed. Seating and picnic areas should be included in designated areas. A boardwalk will connect the Point with the Multi-Modal Transit Station and at least one at-grade crossing should be provided across the railroad tracks, directly connecting the Point with Hercules’ residences and the Bayfront community.

General Character

- Lawns, trees, and shrubs naturally disposed
- Maintain views of Bay
- Extensive trail and path system
- Public ancillary structures included on site
- At-grade railroad crossing and connection to Multi-Modal Transit Station required.

Typical Uses

- Passive and Active Recreation
- Casual seating/picnicking



Figure 1: Hercules Point and Waterfront Public Parks and Plazas

(this depiction includes prior concept of ferry service directly accessible from Regional Intermodal Transit Center)

Access to Hercules Point

The Union Pacific Railroad right-of-way prevents direct access to Hercules Point from the land side. Plans for the Regional Intermodal Transit Center (RITC) have included provisions to connect the station not just to a center loading platform for rail passengers but also to extend and connect over all the tracks (via a set of causeways, stairs, ramps, and/or elevators) to Hercules Point. A second pedestrian connection (with potential also for emergency and maintenance vehicle access) could be built south of the RITC via a bridge from the Waterfront's potential hotel site and Railroad Plaza (Block D of the Bayfront Development Plan).



Depending on what facilities are to be constructed on Hercules Point, utility service connections (e.g., water, electricity, and/or gas) from the land side to Hercules Point may also need to be installed.

Trail Connections

Hercules Point is located at the nexus of a potentially seamless connection between several regional-serving trails, including:

- San Francisco Bay Trail (pedestrian & bicycle);
- Bay Area Ridge Trail (pedestrian & bicycle via a planned extension of the City's Refugio Creek Trail); and
- San Francisco Bay Area Water Trail (small watercraft, e.g., kayak, wind surf, paddleboard).

The East Bay Regional Parks District (EBRPD) has been an active supporter and funder of these trails and connections here in Hercules, including the Bay Trail phase of the Hercules Regional Intermodal Transportation Center through an allocation of Measure AA or WW funds. EBRPD also developed and operates an existing segment of the Bay Trail adjacent to the approximately 5.4-acre San Pablo Bay Regional Park site (currently undeveloped open space leased by the State of California to the EBRPD). The District also oversees a portion of the Bay Trail adjacent to Chelsea Wetlands (which the City is in the process of restoring as a tidally-influenced wetlands with Ducks Unlimited). The District is also close to completing an extension of the Bay Trail from Pinole toward Point Pinole, which together with the planned District extension of the Bay Trail from Hercules to Rodeo, will provide a continuous Bay Trail segment from Rodeo to Tara Hills. The City is exploring other opportunities in conjunction with the EBRPD to expand the trails system and recreational amenities in this part of West Contra Costa County, including Hercules Point.

An additional opportunity unique to Hercules would be to utilize Hercules Point, the Bay Trail, and the network of other recreational amenities in this area as an interpretive experience to explore the history of Hercules as a company town developed by the Hercules Powder Works and its role in the development of California and its historical contributions throughout the decades (similar to the

World War II/Rosie the Riveter markers installed along sections of the Bay Trail through the City of Richmond's waterfront area).

Environmental Review and Permitting Agencies

Though related to both the RITC and the Bayfront projects, Hercules Point and its potential use as a public open space/recreation area was not included in and analyzed as part of either project's environmental report (EIR/EIS for the Hercules Intermodal Transit Center, State Clearinghouse #2009112087; EIR for the Hercules Bayfront Project, State Clearinghouse #2009112058). Thus, any project on Hercules Point would be subject to its own review as required under the California Environmental Quality Act (CEQA).

Additionally, subsequent to the environmental review and depending on the type of project proposed, future use of Hercules Point could be subject to further review by and permits from the following agencies:

- Dept. of Toxic Substances Control (DTSC)
 - Point has been listed by the State of California as a portion of a hazardous substance release site (a "State Superfund Site");
 - Land is deed-restricted to commercial or industrial use unless a different use is approved by DTSC. The 2012 Purchase & Sale Agreement (see Attachment 3) included estimates from ENGEO and Geosyntec to conduct preliminary environmental work, including working with DTSC to modify land use restrictions to allowable park use.
 - An Operations and Maintenance program is also in place for the site.
- Bay Conservation & Development Commission (BDCD)
 - Has previously expressed general support for prior concepts for Hercules Point.
- California Dept. of Fish & Wildlife
- U.S. Army Corps of Engineers
- Coastal Commission
- State Lands Commission

Recent Activities/Efforts

The conceptual design for the Hercules Regional Intermodal Transportation Center has evolved in regard to future ferry service. At this time, the most feasible and cost effective option would be to have ferry service operating from the tip of the point. While a short and walkable distance, it is also anticipated that some type of autonomous shuttle could also operate between the rail station access point and the ferry terminal.

Staff has also engaged with the staff from the East Bay Regional Parks District in very preliminary discussions on opportunities for future collaboration. In addition, Council Member interaction with our local East Bay Regional Parks District Director identified that it may be timely to formally request that the Parks District and the City more formally engage and collaborate in a variety of ways

including in regard to Hercules Point. As such, a letter has been drafted which is attached (Attachment 1) which staff is requesting that the City Council approve.

ATTACHMENTS:

1. Draft letter to President & Board Members of the East Bay Regional Parks District regarding future collaboration opportunities in Hercules
2. Deed restriction for Hercules Point (CAL/EPA, Department of Toxic Substances Control)
3. 2012 Purchase and Sale Agreement for Hercules Point and other water-side parcels [Exhibit J(2) of the Bayfront Implementing Development Agreement]

Financial Impact

Description: No actions required or recommended at this time, thus no financial impacts.

Funding Source: N/A

Budget Recap:

Total Estimated cost:	\$	New Revenue:	\$
Amount Budgeted:	\$	Lost Revenue:	\$
New funding required:	\$	New Personnel:	\$
Council Policy Change: Yes <input type="checkbox"/> No <input type="checkbox"/>			