

Cherokee Simeon Venture I, LLC



4600 S. Ulster St., Suite 500
Denver, CO 80237
(303) 689-1460
(303) 689-1461 (Fax)

May 31st, 2007

General Plan Advisory Committee
c/o Daniel Iacofano, Ph.D., FAICP, ASLA, Principal
MIG
800 Hearst Avenue
Berkeley, CA 94710

RE: Campus Bay Property, Richmond, California

Dear General Plan Advisory Committee:

Cherokee Simeon Venture I, LLC (CSV), the owners of the Campus Bay property (the former Zeneca/Stauffer Chemical Company site), appreciate the tremendous work being undertaken by the Richmond community, the General Plan Advisory Committee (GPAC), the Technical Advisory Committee, the City of Richmond, and MIG, Inc. to update the City's General Plan. CSV would like to take this opportunity to share information about the Campus Bay site in an attempt to help inform the General Plan process.

Located between Meade Street and the Bay Trail, east of the UC Berkeley Field Station, Campus Bay represents a key opportunity for Richmond to do what so many other great Bay Area communities have done – convert a former industrial shoreline site into a community asset which supports a mix of land uses and creates economic development revenues. Clean-up of the property is being overseen by the California Department of Toxic Substances Control (DTSC), and upon completion of a DTSC-approved clean-up, Campus Bay can be developed for a broad range of potential land uses including residential.

In addition, CSV views the future of the Campus Bay site as a possible model of sustainability and progressive building practices. Last month, Cherokee's Sustainability Advisory Council, which includes architect and author William McDonough, toured the site for the purpose of providing input to CSV on the site's potential for sustainable applications. As a further example of our commitment in this area, CSV has retained the engineering firm ARUP, who has recently completed the Sustainability Report for Treasure Island, to explore sustainable programs for this site.

Ultimately, the reuse of the site will be guided by not only responsible planning, but by the environmental conditions present at the site, and the ability to safely address and resolve those conditions. Over the past several years, CSV, in cooperation with the Regional Water Quality Control Board and DTSC, has made significant progress related to the environmental investigation, characterization and remediation of the site. This progress has a profound and positive impact on the ability to implement land planning strategies.

The purpose of this letter is to provide GPAC with an update related to the progress being made on the reuse of the Campus Bay site.

Environmental Process

From 1897 to 1986, the site was owned by Stauffer Chemicals, and from 1986 to 2002 was owned by Zeneca. Historical uses at the site included chemical industrial operations, such as chemical and sulfuric acid manufacturing.

CSV purchased the property in December 2002 following an estimated \$20 million remediation by then-owner Zeneca, Inc. At the time, Zeneca was engaged in a voluntary cleanup of the site to commercial / industrial standards under the oversight of the San Francisco Bay Regional Water Quality Control Board (RWQCB). At the point CSV purchased the property, Zeneca had completed cleanup of the upland portion of the property (Lots 1 and 2 and most of Lot 3), and RWQCB had issued no-further-action letters for Lots 1 and 2.

Beginning in November 2004, regulatory oversight of the site was transferred to the California Department of Toxic Substance Control (DTSC). Since that time, CSV and DTSC have made significant progress related to further characterization and investigation of the site. In 2005 and 2006 CSV, under regulatory oversight, collected more than 700 soil, ground water samples and soil gas samples.

Currently, CSV is completing the remediation of East Stege Marsh. The marsh and surrounding habitat area are being restored to meet the ecological goals for all habitat including the endangered Clapper Rail and human health goals based on recreational use.

CSV is also in the process of finalizing the Remedial Investigation (RI) documents for the site, which present the results of the site investigations. This data will be used in the preparation of the Human Health Risk Assessment (HHRA) and Feasibility Study (FS), which present remedial approaches for the site. CSV expects that the HHRA and FS will be finalized in 2007. The information contained in the HHRA and FS will outline the remediation options for potential land uses.

The Remedial Action Plan (RAP), which describes the implementation of the preferred remedial actions for the future land use, will be subject to public review and comment. DTSC will review the remedial activities conducted at the site as well as future management approaches and issue a final determination. CSV currently expects the environmental process described herein to continue through 2008.

Site Reuse

The Campus Bay site is located within a redevelopment district and has the potential to generate millions of dollars for the Redevelopment Agency that can fund community improvement projects if the site is planned responsibly and in a manner that responds to market conditions.

Moreover, the site is a key area for the revitalization of the former industrial shoreline, consistent with many of the objectives stated in the Knox Cutting Specific Plan. At the time the Specific Plan was adopted in 1991, Stauffer was a long-term owner with ongoing industrial operations, and the Specific Plan simply re-affirmed the zoning for this site and did not identify potential alternate uses if the Stauffer facility ceased to operate; however, the availability and clean-up of the site allows for new possibilities consistent with other local land uses. Specifically, the sustainable reuse of the site, with a mix of land uses, has the potential to further the following goals of the South Shoreline area:

- Enhance the identity, image and development potential of the Specific Plan area
- Conserve and protect the wetlands and marsh areas along the shoreline
- Encourage commercial nodes at appropriate Knox Freeway interchanges
- Promote and create opportunities for research/development uses, and mixed use developments, which include housing where appropriate in the areas south of the Knox Freeway
- Actively encourage and provide public transit facilities and programs (e.g. bus access, bus stops, carpool lots) in both existing and proposed development
- Enhance the Specific Plan Area's gateways and streets
- Create open spaces, accessible to the public, to serve as gathering places or focal points
- Create an environment which encourages people traveling through Richmond to stop on their way through
- Increase City's revenue base by encouraging and accelerating new development and private investment in Richmond

The reuse of the site also responds to many of the goals and objectives set out in various studies that have been done for the area such as the Richmond Shoreline Economic and Real Estate Analysis (prepared by Strategic Economics in February 2002), the planning study commissioned by the Richmond Community and Economic Development Agency and the former Richmond Shoreline Committee.

Conclusion

The reuse of the Campus Bay site must address existing environmental conditions and meet stringent DTSC standards. In the past several years, CSV has invested millions of dollars to ensure the safe reuse of the Campus Bay site. While the ultimate use of the site will be driven by the resolution of the environmental conditions and site constraints, subject to DTSC approval, CSV believes that preferred land use alternatives considered as part of the General Plan update process should allow for a mix of retail, commercial and residential uses.

Finally, CSV believes that the safe and timely cleanup and reuse of the Campus Bay site will help realize the City's long-standing goal of better utilizing land along the Richmond shoreline to serve the community and the region as well as attract residents and employers. We look forward to working with the City of Richmond, the General Plan Advisory Committee and other key community stakeholders in this important community planning process. Thank you.

Sincerely,



Dwight Stenseth
Cherokee Simeon Venture I, LLC

CC: Gayle McLaughlin, Mayor, City of Richmond
Nathaniel Bates, Vice Mayor, City of Richmond
Maria Viramontes, Councilmember, City of Richmond
Tom Butt, Councilmember, City of Richmond
Ludmyrna Lopez, Councilmember, City of Richmond
John E. Marquez, Councilmember, City of Richmond

General Plan Advisory Committee

May 1, 2007

Page 4

CC: Jim Rogers, Councilmember, City of Richmond
Harpreet Sandhu, Councilmember, City of Richmond
Tony K. Thurmond, Councilmember, City of Richmond
Bill Lindsay, City Manager, City of Richmond
John Eastman, City Attorney, City of Richmond
Richard Mitchell, Director of Planning and Building, City of Richmond
Janet Harbin, Principal Planner, City of Richmond
Lori Reese-Brown, Principal Planner, City of Richmond
Steve Duran, Director of Community and Economic Development, City of Richmond
Elizabeth Fitzzaland, MIG
Vikrant Sood, MIG