# CITY OF OAKLAND

AGENDA REPORT

OFFICE OF THE CITY CLERN

2009 JUL -2 AM 10: 00

TO:

Office of the City Administrator

ATTN:

Dan Lindheim

FROM:

Public Works Agency

DATE:

July 14, 2009

RE:

Resolution Authorizing The City Administrator To Accept And Appropriate A Grant In The Amount Of Two Hundred Thousand Dollars (\$200,000.00) From The United States Environmental Protection Agency Under The Brownfields Grant Program For Assessment Of Petroleum Substances In Soil And Groundwater In West Oakland

Resolution Authorizing The City Administrator To Accept And Appropriate A Grant In The Amount Of Two Hundred Thousand Dollars (\$200,000.00) From The United States Environmental Protection Agency Under The Brownfields Grant Program For Assessment Of Hazardous Substances In Soil And Groundwater In West Oakland

Resolution Authorizing The City Administrator To Accept And Appropriate A Grant In The Amount Of Two Hundred Thousand Dollars (\$200,000.00) From The United States Environmental Protection Agency Under The Brownfields Grant Program For Assessment Of Hazardous Substances In Soil And Groundwater At Foothill Boulevard And Seminary Avenue

#### **SUMMARY**

Staff requests that the Council authorize the City Administrator to accept and appropriate \$600,000 in funds from three United States Environmental Protection Agency (EPA) Brownfields Program grants: a \$200,000 petroleum assessment grant for West Oakland; a \$200,000 hazardous substances assessment grant for West Oakland; and a \$200,000 hazardous substances assessment grant for eleven contiguous parcels located at the intersection of Foothill Boulevard and Seminary Avenue (Foothill-Seminary Site). Funds for the two West Oakland grants come from the American Recovery and Reinvestment Act of 2009. Grant monies will be used for professional investigations of known or suspected contamination.

#### FISCAL IMPACT

The City is not required to provide matching funds for these grants; however, EPA will not pay for central services and departmental overhead costs related to staff time charged to the grants. Of the \$600,000 available, \$90,000 will fund staff time (including fringe benefits but not the aforementioned overhead). With current overhead rates totaling 40.973%, this projects to approximately \$23,000 in total overhead costs that will not be covered.

Grant monies will be received on a reimbursement basis and deposited into the Environmental Protection Agency Fund (2125), Environmental Compliance and Remediation Organization (30683), in project numbers to be determined.

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Public Wo	orks Committee
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#### BACKGROUND

EPA has made Brownfields Assessment Grants available since 1995 to assist recipients with the identification and characterization of contaminants at sites that are abandoned or underutilized. The City has received five prior awards totaling \$1 million. The \$400,000 in new grant funds for West Oakland come from the American Recovery and Reinvestment Act of 2009 (ARRA). The \$200,000 in new grant funds for the Foothill-Seminary Site come from EPA's annual budget for Brownfields grants.

## **KEY ISSUES AND IMPACTS**

Environmental site assessments identify and characterize contaminants. They typically involve an analysis of a site's historical uses, collection of soil and groundwater data, and recommendations for cleanup, if necessary. They are a key initial step toward cleanup and redevelopment of abandoned or underutilized lands. In addition, in order to invoke full liability protection against regulatory action associated with existing contamination, professional environmental site assessments compliant with EPA's "All Appropriate Inquiry" standard must be conducted prior to acquisition of a property.

The ARRA is funding two new grants for West Oakland, totaling \$400,000. West Oakland has a long history of pollution-producing activities, including trucking, metal scavenging, freeway traffic, hazardous materials storage and illegal dumping. The two West Oakland grants are "community-wide" assessment grants. As such, funds from these grants may be used at any site within West Oakland that is approved by the EPA Grants Officer and where the City has legal right-of-entry. In addition to addressing health and safety concerns, EPA criteria for prioritizing sites typically includes the relative potential for near-term redevelopment. In order to identify potential sites for assessment work, the City will seek recommendations from community groups, local non-profit organizations and the Oakland Redevelopment Agency (ORA).

EPA's annual Brownfields Program allocation is funding one new grant for the Foothill-Seminary Site in the amount of \$200,000. The Foothill-Seminary Site is an assemblage of eleven contiguous parcels located at the intersection of Foothill Boulevard and Seminary Avenue, two major thoroughfares. Various commercial enterprises that may have handled hazardous materials have operated at this location over the years. Three of the eleven parcels making up the Foothill-Seminary Site have been purchased by the ORA. The ORA is actively pursuing acquisition of the remaining eight parcels. Prior to acquisition, staff must ascertain the level of contamination and the associated liability. Plans for the Foothill-Seminary Site call for a mixed-use development, with dozens of housing units situated above ground-level retail.

# PROJECT DESCRIPTION

Each grant is for a three-year period. Grant work will primarily consist of environmental assessments (including analysis of soil and groundwater samples) and evaluation of remedial solutions. Community groups, local non-profit organizations and the ORA will contribute to the planning process and will be notified of the results of the assessment work.

#### SUSTAINABLE OPPORTUNITIES

<u>Economic</u>: The assessment of potential soil and groundwater contamination will assist in the conversion of contaminated and blighted properties to productive use.

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<u>Environmental</u>: Identification of contamination will facilitate cleanup that protects human health and environmental resources. Facilitation of transit-oriented developments will diminish pollution by reducing dependence on the automobile.

<u>Social Equity</u>: Contractors utilized for environmental assessment work are subject to the City's Local/Small Local Business Enterprise (L/SLBE) Program. Their work will facilitate environmental cleanup and improved quality of life in low-income areas.

### DISABILITY AND SENIOR CITIZEN ACCESS

Acceptance and appropriation of these grants will have no direct impact on access for senior citizens or persons with disabilities.

# **ACTION REQUESTED OF THE CITY COUNCIL**

Staff recommends that the City Council authorize the City Administrator or his designee to accept and appropriate \$600,000 in EPA grant funds for environmental assessments in West Oakland and at the Foothill-Seminary Site, and that the City Council waive unfunded overhead costs associated with staff time charged to these grants.

Raul Godinez II, P.J.
Director, Public Works Agency

Reviewed by: Brooke A. Levin, Assistant Director

Respectfully submitted,

Reviewed by: Susan Kattchee, Environmental Services Manager

Prepared by:

Mark Gomez, Environmental Program Supervisor Environmental Services Division

APPROVED AND FORWARDED TO THE PUBLIC WORKS COMMITTEE:

Office of the City Administrator

Item: \_\_\_\_\_ Public Works Committee July 14, 2009



RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ACCEPT AND APPROPRIATE A GRANT IN THE AMOUNT OF TWO HUNDRED THOUSAND DOLLARS (\$200,000.00) FROM THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY UNDER THE BROWNFIELDS GRANT PROGRAM FOR ASSESSMENT OF HAZARDOUS SUBSTANCES IN SOIL AND GROUNDWATER AT FOOTHILL BOULEVARD AND SEMINARY AVENUE

WHEREAS, the City of Oakland (City) has solicited financial support from the United States Environmental Protection Agency (EPA) for environmental assessment work at the eleven contiguous parcels located at the corner of Foothill Boulevard and Seminary Avenue (Foothill-Seminary Site); and

WHEREAS, the EPA has awarded the City \$200,000 in Brownfields Program funds to assist in the assessment of hazardous substances in soil and groundwater at the Foothill-Seminary Site; and

WHEREAS, the proposed environmental assessment work supports the Mayoral and City Council goal of a Sustainable City, and will help strengthen protection of public health while facilitating the cleanup and redevelopment of blighted properties; now, therefore be it

**RESOLVED:** That the City Council authorizes the City Administrator or his designee to execute an agreement with the EPA for the acceptance of \$200,000 in grant funds for assessment of hazardous substances in soil and groundwater at the Foothill-Seminary Site, provided that said agreement shall be reviewed and approved by the City Attorney's Office and shall be filed with the City Clerk's Office; and be it

**FURTHER RESOLVED:** That the City Council acknowledges that approximately \$7,700 in departmental and central services overhead costs will not be recovered by the General Purpose Fund; and be it

FURTHER RESOLVED: That the City Council authorizes an increase in estimated revenue and the appropriation of grant funds, to be received on a reimbursement basis and deposited into the Environmental Protection Agency Fund (2125), Environmental Compliance and Remediation Organization (30683), in a project to be established upon execution of the agreement with the EPA; and be it

**FURTHER RESOLVED:** That the City Administrator or his designee is hereby authorized to approve any subsequent amendments or extensions of said agreement, provided that such amendments or extensions shall be approved by the City Attorney's Office and shall be filed with the City Clerk's Office. Should additional grant funds be received, the City Administrator is hereby authorized to appropriate same for the purposes described above.

IN COUNCIL, OAKLAND, CALIFORNIA,	, 20
PASSED BY THE FOLLOWING VOTE:	
AYES - BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, N	ADEL, QUAN, REID, and PRESIDENT BRUNNER
NOES -	
ABSENT -	
ABSTENTION -	ATTEST:  LaTonda Simmons  City Clerk and Clerk of the Council of the City of Oakland, California



OAKLAND

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WHEREAS, the City of Oakland (City) has solicited financial support from the United States Environmental Protection Agency (EPA) for environmental assessment work in West Oakland; and

WHEREAS, the EPA has awarded the City \$200,000 in funds from the American Recovery and Reinvestment Act of 2009 to assist in the assessment of hazardous substances in soil and groundwater in West Oakland; and

WHEREAS, the proposed environmental assessment work supports the Mayoral and City Council goal of a Sustainable City, and will help strengthen protection of public health while facilitating the cleanup and redevelopment of blighted properties; now, therefore be it

**RESOLVED:** That the City Council authorizes the City Administrator or his designee to execute an agreement with the EPA for the acceptance of \$200,000 in grant funds for assessment of hazardous substances in soil and groundwater in West Oakland, provided that said agreement shall be reviewed and approved by the City Attorney's Office and shall be filed with the City Clerk's Office; and be it

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# **OAKLAND CITY COUNCIL**

RESOLUTION NO.\_\_\_\_\_ C.M.S.



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WHEREAS, the City of Oakland (City) has solicited financial support from the United States Environmental Protection Agency (EPA) for environmental assessment work in West Oakland; and

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