

DESIGN REVIEW BOARD MEETING
COUNCIL CHAMBERS, RICHMOND CITY HALL
1401 Marina Way South, Richmond, CA
October 8, 2008
6:00 p.m.

BOARD MEMBERS

Robert Avellar, Chair	Vacant, Vice Chair
Ted J. Smith	Don Woodrow
Diane Bloom	Vacant

The meeting was called to order at 6:09 p.m.

ROLL CALL

Present: Chair Avellar and Boardmembers Woodrow and Smith

Absent: Boardmember Bloom

INTRODUCTIONS

Staff Present: Kieron Slaughter, Jonelyn Whales, Richard Mitchell, Janet Harbin and Mary Renfro

APPROVAL OF MINUTES - None

APPROVAL OF AGENDA

Chair Avellar gave an overview of the procedures for speaker registration and public hearing functions and procedures. He noted any decision approved may be appealed in writing to the City Clerk within ten (10) days, or by Monday, October 20, 2008 by 5:00 p.m. and repeated the appeal period after each affected item.

ACTION: It was M/S (Avellar/Smith) to approve the agenda; unanimously approved.

CONSENT CALENDAR

Chair Avellar noted the Consent Calendar currently consisted of Item 1, which was requested for removal by a member of the public.

Consent Items Approved: None

Item Heard:

- 1. EIR/DR 1104434 – Port of Richmond, Honda Port of Entry Project at Point Potrero - PUBLIC HEARING** to consider certification of an Environmental Impact Report (EIR) and Design Review Permit approval for expansion and modification of the existing auto import activities located at 1317 Canal Blvd. (APNs 560-320-002, -016, -017), known as Marine Terminal 3. The project would expand an existing rail line, repair an existing ship berth, and provide an extension of the San Francisco Bay Trail. The Board may act on the EIR and the project or, on its own motion, vote to recommend action by the City Council. Zoning: M-3

(Heavy Industrial) and M-4 (Marine Industrial). Owner: Surplus Property Authority of Richmond. Applicant: Port of Richmond, Jim Matzorkis, Executive Director. Staff Contact: Kieron Slaughter. Recommendation: Certify the EIR and approve the project, or recommend approval to the City Council.

Ms. Harbin clarified with the Board that Boardmember Bloom submitted written comments which will be read into the record.

Jim Matzorkis, Executive Director, Port of Richmond, gave a brief description of the project, stating the Honda project is Phase II of the existing auto import activities. They redeveloped the site to accommodate and build-out the site for Honda and Kia automobiles. The site design incorporates public access issues to the shoreline and Rosey the Riveter National Park site via a section of the Bay Trail. The facility was carefully designed to minimize impacts to neighboring uses and it will generate in excess of \$100 million of new revenue to the City over the agreement term of 15 years. They will guarantee repayment of development costs incurred and the project will generate 200-300 jobs to local residents. He introduced Bill Robbins, Trans Development Group to provide a further project description.

Bill Robbins, Trans Development Group, said he has been involved in the initial project for several years. He presented a graphic of the entire project from Canal and Cutting, along Canal Boulevard and into the existing facilities. He reviewed key design elements, said the plan is to establish a support yard for rail activities in the existing terminal and those improvements will consider of 6 tracks that will be built to provide support yard capacity for the project. The project will reduce impacts to street crossing at Canal and Cutting Boulevard and change the way railroad operations work in the area. He described a wetlands area, which will be supplemented with landscaping. Where the project meets Canal at both ends they will upgrade fencing for a secure environment. Infrastructure upgrades will be achieved to meet operational standards, and there will be intersection improvements and added landscaping.

He noted there is a plan to build an extension of the Bay Trail which is a different project. Their goal is to fully comply and integrate the design as already approved by the City and supplement the area through a variety of improvements, and he pointed out their improvements that accommodate the Bay Trail. There had been a challenge to re-engineer the truck loading plaza which they were able to do and it is now further away from residential. He discussed the rail yard improvements and the need for automobiles to be loaded within the confines of the Port's operations, which creates great efficiencies and having rail at the Port was not inappropriate from the standpoint of mixing with the historic preservation, as the site was full of rail in the 1940's. He reported that their adjacent neighbor, BP, who is located between the rail yard and the waterfront will be significantly impacted by the project. They have pipelines directly underneath their tracks. They have worked positively and collaboratively with BP to identify a range of impacts and they are present tonight.

Mr. Robbins then discussed the parking plan for the site and said they would be able to accommodate the long shore ships visiting the site and access to the waterfront.

Boardmember Smith questioned how many trains would use the new rail line and questioned hours of operation, noting the train delays are getting longer and more regular. Mr. Robbins said there is a big difference with grade crossing which blocks traffic and their project, stating the businesses in the area will bear the brunt of the blockages for this project and take it off of Canal and Cutting Boulevards. Operations will occur primarily between 7:00 p.m. and 4:00 a.m. They are planning the operations with ship changes and nighttime trucking activities, will be switching the facility and moving cars in lengths that limit blockage times for driveways or public crossing times in the 3-5 minute range, which are palatable to businesses.

Boardmember Smith voiced concerns with noise, stating he lives in Sea Cliff, and Mr. Robbins said Point Potrero provides a natural buffer for sound and for other impacts, the EIR consultant worked hard to identify noise created from trucks and trains and how it impacts residential neighborhoods, and the operation does not create significant negative impacts.

Boardmember Woodrow questioned when the project would start construction if approved by the Board and the City Council. Mr. Robbins said they believe it would start early 2009 and be completed in seven months. Boardmember Woodrow referred to the existing yard at Canal and Cutting, said he was surprised to see that this yard will still be used and asked about future plans for that yard.

Mr. Robbins said approximately 85% of all traffic that goes through there today is associated with the Honda, Kia and Hyundai business and those operations will be moved down to the Port of Richmond. The remaining 15% is scheduled to stay and some multi-level rail cars will still arrive there which will be unloaded and taken by truck to dealerships.

Boardmember Woodrow said the drawing shows that there are 7-10 tracks in the yard and some look to be new. He questioned how many new cars would actually come into the Port. Mr. Robbins said in the EIR the existing base of vehicles is 96,000 vehicles. They will add 150,000 vehicles to that, so there will be about 246,000 vehicles which will come into the Port by ship. Those vehicles will leave by truck or rail. In addition to that, there are about 80,000 vehicles a year that currently come into the BNSF facility. They will still come, but they will come down to the Port. He said the reason Honda wanted to come here is that they wanted to have railcars loaded coming in and railcars loaded coming out instead of having empty rail cars. There will be no additional railcars for the additional 80,000 vehicles; they will come in loaded, they will get unloaded, and they will go out reloaded.

Boardmember Woodrow said he lives on Idaho Street, sees and hears every car coming in and out of the yard, and he questioned how long a 70-car train would take to pass Garrard and Cutting junction. Mr. Robbins said one of the key parts of the plan is that there will not be 7,000 foot trains that will run through crossings. They will run with cars of 1,200-2,400 feet in length. They will travel between 5-10 mph and will block the crossings between 1.5 to 6 minutes. Boardmember Woodrow then clarified there would not be very long trains but shorter trains operating more often. He confirmed with Mr. Robbins that 4 trains would be coming out of the yard every day, times 2, from trains also coming in.

Boardmember Woodrow noted the City has a quiet zone that exists on Canal Boulevard and he did not see anything in the Port plan to get that set up, which he felt should be included. Mr. Robbins said in the work done in the noise study for the project shows this does not amount to a significant impact. He said they are dedicated to minimizing impacts, but creating a quiet zone is not something they can do, but said they can participate in evaluating it.

Mr. Matzorkis clarified that there are a number of cars already coming into the Cutting and Canal yard loaded and leaving empty. Most now will come to the Port. They will be reloaded after they are emptied, the addition amounts to one additional string of rail cars a day that will cross Cutting and Canal. Those are already coming and going over Canal and Cutting Boulevard and he said there is only a net increase of about 12 rail cars or one string of 12 cars a day.

Boardmember Woodrow questioned if there was any wind study that also looked at the quantity of fog, as well. He said many residents are impacted by noise when the winds blow a certain way and said he did not see anything in the EIR. Mr. Robbins said this may have been contained in the report.

Chair Avellar referred to the site plan colors and confirmed green represents landscaping, yellow is the portion of the Bay Trail which is part of the design piece the Port will bid on and is being funded by grant money separate from the project. The orange piece of the Bay Trail is going to be done by the Port, the blue is the truck-loading area, the red is the rail lines themselves, the purple are rail spurs that feed into the industries, and other colors represent improvements.

Chair Avellar questioned the actual number of additional trains per day, and Mr. Robbins said the key behind the project is to keep a balance between the number of switching movements in place now and how long each one is. They can maintain trains between 1,200 to 2,400 feet long in an area and keep crossing blockage times down to manageable levels. Today, there are many switching movements that occur today in and out of the automotive facility that are much more extensive than that. He said each railcar is a 95-foot car, and there would be about 12 multi-levels on a daily basis, or more traffic but shorter trains.

Boardmember Smith referred to a fax he received at 2:16 a.m. from a Point Richmond resident who was awoken by train noise in the existing quiet zone and felt the length of the horn noise was irrelevant as it takes one blast to wake someone from a sound sleep. Boardmember Smith also questioned and confirmed that the applicant was at the meeting of the Historical Preservation Society, and he made notes of the fact that a portion of the tracks were historic.

Boardmember Woodrow asked Mr. Matzorkis about a typical day of railway events, feeling there was a lot of information, but it was a bit confusing. Mr. Matzorkis said the operation at Point Potrero starts at about 8:00 a.m. for the first shift. Once the railcars are loaded and reloaded is the time the railroad will switch them. It is a better time of the day to have rail movements occurring in the evening, between 7:00 p.m. and 4:00 a.m. with less blockages of the crossings. Regarding shift discharges, most happen during the daylight hours and discharging them take approximately 8-10 hours. For those who live in Sea Cliff, there most likely are not unloading issues. So, generally operations occur during the daylight hours, the rail switching activities would occur in the evening and trucking operations are always 24 hour operations.

Chair Avellar questioned the increase in ships coming in, and Mr. Matzorkis said they will double the amount of ships coming into the Port and add another 75 ships a year. Therefore, there will be 150 ships that will come to the automotive portion of the Port for this project and a total of 250 ship calls for automotive purposes. He said there is a lot of difference between a ship that is sailing under power with its main engines and a ship coming in and out of the Port of Richmond. The entire emission and diesel particulate matter is different when the ship is at berth and when it is sailing out in the open waters. He said there are tug boats that assist the ship coming in and the engines only run light and ventilators.

Chair Avellar referred to the entry arch and asked that it be a different color. Mr. Matzorkis said they are open to comments on the color scheme and said they have discussed working on the entrance to the Port with the idea to have it connected somehow to the surrounding features.

Brian Fletcher, Calendar & Associates, said there was a historical feature but in order to ground the design and character of the gateway in the area, they look at existing features that would work well with a gateway feature. The historic warehouse has a lot of art deco character. They looked at the existing signage program and want to be complimentary of what is there. They also reviewed the existing crane for industrial character. He presented a rendering of the gateway in conjunction with the parking lot and said landscaping at the cafeteria site can provide an aesthetically pleasing gateway. He said there are two pieces of signage; the art that goes over the gateway that says Potrero Point as well as a second tier on the bottom column which is directional in nature. He said landscaping works in conjunction with the storm drain water. There are a number of bio detention swales and it is important to have a strong street

tree pattern. He presented the area along Canal Boulevard, stating they are trying to screen the view from visitors along Canal Boulevard and there is landscaping that needs to be enhanced in that area. They also have another opportunity on the opposite side for screening with shrubs.

He presented landscaping along the truck-loading areas, cross sections along Canal Boulevard, security and support fencing, lighting and fixtures, drought tolerant and/or native plant areas.

Boardmember Smith confirmed that the Historic Preservation Society preferred signage wording and that it had been received, and Mr. Robbins felt there was still some additional coordination on the design of this. Mr. Matzorkis said the name of the area is Shipyard III and this should be part of the signage. There was information needed to identify the berth and modern Port environment and noted modifications can be made to meet the Board's satisfaction.

Boardmember Woodrow questioned the types of vehicles coming into the Port during the day; employees, truck drivers and people going out to the Victory ship, stating there are only certain people going to MSRC and ships who will know exactly how to go and felt the applicant needed to think about the function on being able to read the sign. He said the sign should serve various groups of people depending upon where they are, felt the area was Point Potrero and not Potrero Point, and he asked the applicant to think more about separating functions for signage. He also questioned if the trees would extend out to Cutting Boulevard. Mr. Robbins said they are not planned to run the full length of Cutting Boulevard but are planned to follow the curve of the BNSF automotive facility between Cutting Boulevard and Wharf Street.

Boardmember Woodrow also asked that the applicant choose trees that can stand the sulfide smell, and he confirmed with Mr. Fletcher that many trees were planning to be planted up to Sea Cliff Drive. He was not sure of the number, but they can have naturalized palette entries for that setting. The goal is that when mature, the majority of the low level parking lot would be screened by trees.

Boardmember Woodrow said the group that owns the old Bottoms Quarry along Sea Cliff Drive is getting it ready for sale, and he felt they might help pay for tree planting. Also, he had just returned from a gulf coast city and they are planting one million trees in the next 6 years only because they want to be known as the city of trees, and he believed more trees would benefit the project.

Chair Avellar confirmed that the applicant consulted with the EBMUD planting book. He also referred to the Port entry and asked that the entire white color portion be changed and believed the light fixtures were too modern. Mr. Robbins said they could look at different options while also throwing off similar amounts of lighting. Chair Avellar also referred to the see-through black fencing and questioned slats. Mr. Robbins said they discussed this with historic preservation. Chain-link fencing has been around for a long time and it does not detract from the historic perspective. He said they will also upgrade the fencing in those areas where people will come together, which is shown in their civil plans.

Public Comments:

Don Gosney recommended not certifying the EIR as presented, said it fails to address significant impacts on the future of the Seaport plan, which includes the possibility of using the Port of Richmond for a cargo container port. He said it would provide 5,000 workers, good paying jobs, and he felt jobs and revenues were important. He said impact 4-3 was not reprinted or addressed in the final version of the EIR, mitigations in the draft did not accurately address issues or possibilities, and he felt this project was not the only potential use for the Port. He asked to leave the option open for more uses at the Port and distributed a hand-out to Boardmembers.

Boardmember Woodrow questioned the space needed for such an expanded Port, and Mr. Gosney said BCDC recommended some of the tankers be taken by eminent domain, but the plan would provide quite a bit of land.

Chair Avellar questioned if the Seaport plan would eliminate things, and Mr. Gosney said because of the layout of this project it occupies most of the land that would be available as well as the access routes.

Boardmember Smith questioned why someone did not come forward with a container port plan instead of Honda. Chair Avellar confirmed no one was currently proposing anything other than the Honda Port of Entry project for the Port as of this date.

Anthony Joseph Craig said he is opposed to the project due to its specific impact relative to design. He asked that street improvements be made as well as mitigation measures, said the FEIR has serious air quality impacts which are significant and unavoidable but are not associated with the actual scope of the project despite their severity. He discussed NO_x excess emissions, said mitigation measures are not mandatory, and the FEIR does not analyze the full impact of the project, as it only analyzes 150,000 cars. The real project earmarked in the 07/08 CIP budget for significant wharf revision will be for up to 450,000 cars, and he therefore believed items have not been properly analyzed. He asked the Board to not recommend approval of the FEIR and recommended 1) the Board recommend that all mitigation measures associated with impact 6.2 be mandatory as a condition of approval; 2) that the cost of the mandatory installation of cold iron and shore power be offset by funds currently available through the Carl Moyer program by BAAQMD; 3) the BAAQMD recently contributed \$1.9 million to a \$2.5 million cold-ironing shore side power system for a cruise ship operation in San Francisco. This is more than 75% of the cost, and these are complicated and expensive; and 4) that both the installation of technology limiting the idling times of locomotives be mandatory and the applications for funding to pay for that technology be made by the City of Richmond to the State with the assistance of the BAAQMD, and this should be required as a condition of approval.

Kate Spaulding opposed the project and mostly opposed Exhibit A-2, the statement of overriding considerations. She said most of the project benefits the corridor from San Diego to the Bay Area, voiced opposition to shipping over oceans, pollutants, and said people will be exposed to a significant increase nitrous oxide, which is a contaminant that should not be up to the 2,900 lb. per day level, as the Air District allows for 80 lbs. per day. She said there is also no plan to mitigate noise and the only positive benefit is that there will be a lot of revenue generated and 120 new full time job openings, which may not go to Richmond residents.

Fred H. Arm, representing HORN (Households Opposed to Railroad Noise) and a member of the Quiet Zone Committee, said he made a comment on August 4 which was responded to as well as a subsequent, revised comment on August 18, which is also not included in the EIR. He asked that the EIR not be certified due to comments not being responded to, felt the noise issue has been significantly minimized, spoke of the health effects of noise, said trains must blow their horn when crossing a public street which will impact several properties and this is left out of the EIR.

Ms. Renfro said one of Mr. Arm's letters was included in the EIR and the August 18 letter was submitted very near the deadline and inadvertently omitted in the analysis that came out of the published document. However, the consultant can accept it and determine whether it adds anything new to items analyzed either during this meeting or between now and any subsequent meeting.

Douglas Kidder, President of the MASS Boat Company which makes kayaks at 1319 Canal Boulevard, said they have rented a building from the Port for 17 years. He said there are two

buildings that are going to be demolished and he will lose his 17-year old space as well as parking spaces for the Port, which he does not understand. He hoped something could be worked out.

Chris Curtis believes the Port is an industrial area, is not necessarily opposed to any industrial use but is against the project because of increases in noise. He suggested a wall be added to the project due to the expansion of operations and said car loading between 8:00 a.m. and 4:00 p.m. is reasonable, but asked that this be conditioned due to the belief it may be changed to a 24-hour operation.

Lee Jones said all Ports are having problems with particulate matter and voiced concern about pollution increases and response times for emergency vehicles crossing the railroad tracks.

Jeff Lee said he believed one of the biggest issue was noise. He suggested conditioning the project such that railroad activities occur in a quiet zone operation, which should already be in place. He questioned the amount of additional traffic and blockage of crossings, revenues from Honda, and asked that emissions from truck diesel also be considered.

Bruce Beyaert, TRAC, said the Port has been a great partner in completing the 2.4 mile Bay Trail connection. The project will incorporate Bay Trail parking around grading track areas, landscaping, said TRAC supported design review conditions, site plan, conditions 3 and 4, and landscape condition 9, but asked that the location of the gateway and landscaping be revised and work be done with the Bay Trail design representatives and those who did the sculptural exhibits to make it all fit together. Sculptural features are all industrial rusty colored and he suggested mirroring this palette for the project.

BREAK

Chair Avellar called for a five-minute break and reconvened the regular meeting at 8:40 p.m.

Rebuttal – Applicant

Jim Matzorkis, applicant, said the BCDC Seaport 2020 Plan calls for the possibility of the Point Potrero facility being converted to a container handling facility and BCDC made comments in the EIR, they met with them about the issue and put specific wording in the EIR as well as agreements with Auto Warehousing and Honda that if BCDC and the City decide to make that conversion by 2020, they will have provisions to relocate Honda or to terminate the agreement with Honda so that the BCDC Seaport plan will not be impacted by this. There are a lot of questions regarding whether or not the conversion will happen but they preserve that right by BCDC in the EIR and in agreements the City Council will rule on.

Regarding Mr. Craig's comments, he said there was a typographical error in the Port document that refers to 450,000 cars per year being contemplated. The number is really closer to their capacity at about 250,000 cars and this is what the combination of Honda, Hyundai and Kia business will represent--not 450,000. He said the document does need to be corrected. The measurement of air impacts have to do with how the ship emissions were measured and he deferred this to Mr. Robbins. Regarding creating shore power using available funds, he said the reason this is not feasible is because the ships are not equipped to run off shore power. Regarding Kate Spaulding's comment, they are hiring Richmond residents first. Regarding Mr. Kidder's comments, they notified the company over a year ago about their upcoming plans which would require them to either terminate their lease agreement or relocate them. They have not yet come to a conclusion on how to resolve his concerns; however, he believes there are ways to accommodate them by either leaving the building where it is or modify it. Regarding Mr. Curtis' comments about noise from truck loading, they have relocated the truck loading area

further away from the residential area and downsized it so noise impacts will be reduced. There will also not be any rail loading activities during the night. Regarding Mr. Lee's comments, the guaranteed net revenue from Honda is about \$100 million and they will invest about \$35 million in improvements. And, regarding Mr. Bayaert's comments, they will also ensure the Bay Trail improvements work well with the project.

EXTEND MEETING

ACTION: It was M/S (Avellar/Smith) to extend the meeting to 9:30 p.m.; unanimously approved.

Boardmember Smith questioned if the use of the rail line would reduce the need for employees at the existing businesses. Mr. Matzorkis said jobs performed by employees who shuttle the vehicles from the site are hired from a temporary service for the days the shuttle is taking place. Those jobs would disappear; however, there will be many new Teamster Local 315 union jobs created as a result.

Boardmember Woodrow questioned whether there was assurance that Richmond residents would be hired first, and Mr. Matzorkis said the Richmond Works Program will work with Auto Warehousing Company to hire Richmond residents. The target is 100% but there is no guarantee because this will depend upon demand, qualifications and availability of people applying for those jobs.

Chair Avellar said in the past there were complaints about residents not getting jobs, and he confirmed most of the union jobs were low skilled jobs; that a valid driver's license is required, drug screening, and most people registered with Richmond Works program could feasibly qualify.

Chair Avellar referred to the cold-ironing shore side power and capacity and felt this could be implemented. Bill Robbins said what studies have found is that there are certain classes of ships which are more appropriate than others for using cold ironing, or plugging in external electrical sources into ships and powering them. He said all you would have is the environmental impact of creating electricity someplace else. They believe there are other ways to intercept the emissions from the alternate engines and it is best to capture the emissions and treat it rather than plugging them into an external power source. He personally believes having a snorkel hose system could be done. There are also bonnets that go over the stack of the ship, but the problem with these are that the stack is very high up and the ones for the alternate engines are small and hard to intercept the emissions without going to the top of the ship. They are discussing this technology, but the likelihood is that cold ironing and the class of ships used does not match up.

Chair Avellar confirmed with Mr. Robbins that the typographical error representing 450,000 cars would be revised when the new CIP plan comes out.

Mr. Robbins referred to air emissions and said Paul Miller was responsible for all technical work in the EIR on emissions. The measurement of NO_x generated reflected 2,900 lbs. There was another part of air emissions called the Health Risk Assessment, which measured the health effects of the project on people who live around the project. They are two totally different sets of measurements. NO_x is generated from a model that takes the ships out into the ocean 24 miles from the Golden Gate Bridge and models the emissions from the ships when they are burning and running at their peak all the way into the San Francisco Bay and into the Port. No less than 85% of the pounds of NO_x created are related to the movement from the open water to the San Francisco Bay. He said 15% of the NO_x from the ships relates to what they are doing at their project site. He said people have not been modeling NO_x emissions from ships for projects until

quite recently. It is not that NO_x isn't a terribly important thing to measure, but they have project requirements that mandate a threshold of 80 lbs. based upon a set of measuring tools and requirements that have changed dramatically. He said now ships are being modeled 24 miles out to the ocean and for every single project that has ships associated with it, it will have NO_x impacts. The City will need to make a decision as to whether it wants to participate in the marine business, but he felt it is a measurement that is relatively new in terms of the extensiveness by which it is analyzed. He also noted that the health risk assessment for their project does not meet thresholds of significant impacts.

Mr. Robbins also noted that the letter from the BAAQMD indicated to them that they might want to look at using different emission factors to measure emissions. By doing this, there is a possibility that the risk of cancer levels could go up and he believed this is an important point to bring up. But the consultant went back, re-ran the numbers using new emission factors, completely re-did the Health Risk Assessment and they still have a health risk assessment, but it is significantly below the significant threshold. When it comes to NO_x; however, they do have a huge number of pounds they must deal with and have a set of mitigations that tries hard to identify directions that can be taken to address it.

They believe that the most valuable thing that can happen which will have the most dramatic effect on NO_x is if the State mandates that ships start burning low-sulfur diesel fuel when it gets to the 24-mile mark. This is a fight before the State of California and if required will mandate incredibly significant changes in engine systems of the ships, and it will be done through regulation and politics that reaches far beyond the Richmond community.

Chair Avellar said the threshold is 80 lbs. and this project will generate 2,900 lbs. per day. He questioned and confirmed that the current level is 1,152 lbs. and it increases to 2,327. Mr. Robbins said one threshold is a daily peak threshold and the other is an average annual threshold. The daily peak takes the worst case scenario; the annual average gives a different picture. If the ships are modeled in close proximity to the Port of Richmond, the threshold on an annual basis on tons of NO_x created would be under the threshold. The BAAQMD states we need to model them out into the ocean, but he said the health risk assessment identifies good news.

Boardmember Woodrow questioned if the 2,900 lbs. is coming all from the ships, and Mr. Robbins said the vast majority of it is associated with the ships, or 85% of it. The other part is trucks and trains. He noted that the BNSF lines are committed to using the GenSet locomotives on their project which reduce total emissions by 85%. The reason for this has to do with idling, so there is an effective way for dealing with this.

Boardmember Woodrow hoped the railroad company addressed the change-out of the engines, and Mr. Robbins noted there were 6 new GenSet locomotives in the Richmond yard, partially funded by BAAQMD, which is a very successful program.

Boardmember Woodrow again questioned the 2,900 lbs. per day of NO_x emissions, and Mr. Robbins said the consultant did evaluate it to understand the impacts of it being close versus far away. Paul Miller, CEQA consultant, said the number was broken down in the final EIR. Figure E-1 breaks down the NO_x emissions that occur off-site by ocean going vessels (OGV) and also on-site ocean going vessels.

Boardmember Woodrow questioned how Figure E-1 would change if NO_x data was collected closer to shore. Mr. Miller said it is the upper quadrant that occurs, the pink occurs from 24 miles out and the emissions from ships at the Golden Gate Bridge would be pretty dispersed by the time they got to Richmond. Boardmember Woodrow felt it would be important to get an EIR

that made that case with such a chart. Mr. Miller pointed out that the information is contained in a table in the Draft EIR.

Mr. Robbins said their requirement to prepare the environmental data is to disclose all impacts. Recently, due to issues from the Port of Long Beach and Los Angeles, air districts are trying to look out further and model all emissions and determine what effect they have, so they are looking out to that 24 mile level.

Boardmember Woodrow questioned how many lbs. per day would NO_x be reduced if this model was followed. Mr. Robbins referred to Table E-1 and said one would basically remove the 1,754 lbs. per day, which leaves about 600 lbs. per day.

Boardmember Woodrow questioned how does 600 lbs. compare and Mr. Robbins said large trucking projects will get up to those levels, but any ship that comes from 24 miles outside the Golden Gate Bridge and docks at Oakland or Richmond will put out this amount of NO_x. He said the BAAQMD's standard at 80 lbs. per day is set up to look at mobile sources such as cars, and this is not very appropriate for ship emissions.

Boardmember Woodrow questioned if any of the 1,754 lbs. could be then counted, and Mr. Robbins said this will occur and is caused from ships. Boardmember Woodrow questioned then if starting from the Golden Gate Bridge or 10 miles out, what part should be counted, and Mr. Robbins felt it might be reduced by 70%. Boardmember Woodrow felt then it would be about 1,600 lbs. as existing, and he felt a second phase is needed and should be in the EIR text somewhere.

Mr. Matzorkis said they are planning to bring model documentation to the City Council that will break down emissions generated from the 24-mile marker to the Golden Gate Bridge through the Richmond Channel, and then from that Channel to the docks, and back out. The hundreds of ships that come through the Golden Gate Bridge are going to have impacts out to the 24 mile mark. The Honda ships, if they were to come through another Port, most of the emissions are still going to cause impacts, but economic impacts would occur for Richmond, for example, if going through the Port of Benicia.

Boardmember Woodrow said it seems to him that the City Council should not learn one thing that the DRB has not learned also. Mr. Matzorkis, said the DRB has all of the work done by Paul Miller, on-site and off-site generation of NO_x. However, it does not analyze other areas and scenarios.

EXTEND MEETING

ACTION: It was M/S (Avellar/Smith) to extend the meeting to 10:00 p.m.; unanimously approved.

Mr. Matzorkis, noted that in Figure 2-87, it states "proposed project daily operational emissions in lbs." and it states on-site activities and off-site activities. Total on-site activities are 384 lbs. of NO_x. Total off-site activities are 1,943 lbs. of NO_x, for a total of 2,328 lbs. Therefore, if emissions are modeled, the project would go from 2,328 down to 384.

Boardmember Woodrow questioned what the definition of "on-site" meant, and he confirmed it meant that the ship was tied up at the Port. Mr. Matzorkis, said most of the operational power is turned off once the tug boats take over. He suggested also looking at Table E-2 that is proposed annual emissions; the annual threshold is 35 tons before it becomes significant. But what happens is that it becomes 21.1 tons versus 96.1 tons. Boardmember Woodrow said the

quantity of tons per day was still 4.5 greater than the goal of 80 lbs. per day and he felt this is technically a gain.

Regarding mitigation, Boardmember Woodrow said this information is contained in the EIR, but he felt it would be great for the City to be in the lead of how emissions are controlled. Mr. Matzorkis, said they have a clean air action program, it has meaningful directions they can go as a Port to address emissions that are associated with projects like this and they are confident with it.

Boardmember Woodrow disclosed that he has been part of this since March. He has submitted comments, is aware of the scale of the project, has an open mind about it, but he is trying to get the highest quality project out of this that the City can because he knows the Port is not going away. Mr. Matzorkis, said the Port is committed to a clean air action plan, they will identify numerous ways to modify operations and comply with new standards coming from the State and said the Honda project are a few of many ships that come into the bay.

Boardmember Smith asked to check page 273, Table E, the first three paragraphs, and Mr. Matzorkis said they met with Councilmember Butt to discuss concerns regarding the project and discussed measures which would be part of their clean air action plan. He said the DEIR was prepared by a team of independent and highly experienced professionals who all have a vested interest in preserving their professional integrity, and the project manager vehemently denies that anyone on the team has lied, ignored impacts, downplayed the significance of impacts or allowed any interested parties to influence their independent judgment on the project's potential impacts.

Chair Avellar said quiet zones and sound walls were commented on and Mr. Matzorkis said they looked at walls and structures to attenuate sound and the amount of sound is not a huge issue from what they have measured over the last four years. When the issue was raised about trucks, they moved the area by hundreds of feet and they felt that based upon the analysis done, the mitigation staff suggested would be handled through relocation. Sound walls would need to be extremely large and they were also restricted as to where they might be placed.

Regarding the quiet zone, Mr. Matzorkis said Webb Street has been identified for crossing protection. There have been meetings and diagnostics done with the City for it and there is a good chance that the street will be improved with crossing protection that will likely include the kinds of design elements that you would have it be classified as a quiet zone. Within two years from now, there will be funding from an outside source that will pay for this. He said their environmental consultant felt that of all places one could have a quiet zone, that area would have the most impact. Webb Street would be the one and not the private driveways in front of the industries. If one were to create a quiet zone that had every single driveway with crossing protection and were able to get it passed, it would cost about \$2.5 million. He felt that at some point there is a trade-off that a person might hear a whistle in the background and the fact that there is \$2.5 million the City must pay for people to feel there is another quiet zone in town. He said the DRB can make that decision, but the consultant has written extensively about readings he has taken on sound that would be associated with the train whistles.

Chair Avellar referred to idling and questioned why hoses could not be put on the train similar to the boats. Mr. Matzorkis said they have a commitment from the railroad in the EIR that they are going to provide GenSet locomotives which reduce overall emissions from the locomotives by 85% and they are in use right now. He said the treatment for the ships would also never be used for the trains due to differences in idling and technology.

Chair Avellar questioned whether or not something like a train shed was ever considered, and Mr. Matzorkis said they looked at this for trucks and trains and determined it was foolish to create structures to attenuate sound. He said the cost was also not conducive versus its benefit.

Mr. Matzorkis said for years, it was anticipated rail would be located right next to Sea Cliff, and they have mitigated the situation significantly.

Doug Herring, lead EIR consultant, said the impacts and mitigations were evaluated under the CEQA which drives the entire process and things like noise sheds and quiet zones are for impacts that do not meet the level of significance that under state law require mitigations. They did identify one significant impact with truck loading which is being reduced to less than a significant level through relocation of the truck loading area. But, the other noise impacts do not meet that threshold.

Chair Avellar questioned whether or not the 13-page letter was addressed by the EIR consultant. Assistant City Attorney Renfro said unless they find something really jarring and is brand new that was never seen before, it is appropriate for the Board to move forward with a recommendation to the City Council. Mr. Herring said during the break they did read the letter, did not find anything glaring, but it is their intention to review it thoroughly and return with written responses to the City Council.

Boardmember Woodrow pointed out this is the second time he has heard there might be a gap in the FEIR which was going to be solved by taking something to the City Council, which in effect, shortcuts this. Any kind of document citizens is supposed to assess should come to the Board first. Mr. Matzorkis said they never received a copy of the letter and they published, printed and responded to every comment they received. He also noted they would provide a model of information contained in one of the tables, which is not new information but it is something that lifts some of the information out of the EIR to illustrate NO_x impacts to the different areas in question.

Boardmember Woodrow said another way of doing this is to return to the Board in another month with revisions, documents to take to Council and then the Board and citizens would have that information for review. Mr. Matzorkis said he hoped the project would not be delayed another month and said they are prepared to get their financing in place and start construction of the project. He said he believes the EIR is comprehensive, one letter did not get inserted into the EIR, it has been reviewed tonight and he believes all facts were provided tonight.

Boardmember Woodrow said he was concerned that if they did move on, they would accept verbal comments, which is not their normal route. He said the Board requires full drawings and a full summary and there are now new landscaping and about 3-4 other items that have been presented. He said he would like information about what happens on a normal day with train activity and did not want it provided verbally.

Mr. Matzorkis said he believes they have provided a significant amount of information and way beyond what is required for a project like this. If it comes down to the issue of incorporating the one letter, then he would ask if there were options in terms of how the Board acts tonight to recommend something that could include incorporating the letter in an updated version of the EIR that would be presented to the City Council, and the Board could place some specific conditions on how this could be done to accommodate it. He did not think taking more time would make that much difference considering the amount of evaluation in following CEQA law.

Ms. Harbin noted it is not unusual for there to be later correspondence that has not been addressed in a FEIR. Often the letters are responded to verbally in hearings and she said this

happens a lot. In this case, somehow the letter did not get routed to the Planning Department in a timely manner in order for the consultant to address it in the FEIR.

EXTEND MEETING

ACTION: It was M/S (Avellar/Woodrow) to extend the meeting to 10:30 p.m.; unanimously approved.

Mr. Matzorkis referred to comments of what happens in a typical day, and he felt one could come up with any number of iterations on the way the Board would personally like information presented but the EIR does contain information on train times, employees, hours of work, and the Board has not identified anything that is not contained in the document. He said the documents is hundreds of pages, they did their best to present all information they had, nothing has been identified as missing from it, and he felt the Board had the information to move forward with the decision on the environmental review.

Boardmember Woodrow questioned how many EIR's had Mr. Herring conducted in the past and said he felt when hundreds are done, citizens see things one way and consultants see things differently. Mr. Herring said the DEIR is their best effort in presenting the information the way they conceive of it and the clearest to present to the public. There is a definite effort made to take very technical information and present it in a way that is accessible to the lay reader, to translate things into readily understandable terms. The DEIR goes to the public for 45 days and everyone has the opportunity to provide them with feedback on what they missed or what they did not look at adequately and then they return with new information in the form of responses. And there is an opportunity for refinement through public input.

Ms. Harbin said they selected Mr. Herring for this project because of the number of environmental documents done in the past, the number of years' experience he has in the field, and also staff has found him to be very objective in comparison to other consultants staff has worked with.

Boardmember Woodrow said he is simply trying to receive clarity to arrive at some kind of judgment. He has heard something can be made part of this public summary that he is never going to see and this bugs him. He also said he lives over the hill and does not want to hear train noises, he does not want 2,900 lbs. of NO_x coming out and worry about health, but we are still 4-5 times above the norm on this and he is just trying to understand it better. Mr. Herring said he would be happy to provide any further specific information which would further clarify Boardmember Woodrow's request.

Chair Avellar questioned whether Mitigation Measure 6-2 becomes mandatory, and Mr. Herring said all mitigation measures in the DEIR and as modified in the FEIR are required conditions of approval. The Mitigation Measure 4-3 which was addressing the conflict with the Seaport plan, in the draft EIR, they did not identify this as a significant impact. Unlike noise impacts or air quality impacts which are quantifiable, planning analysis and policy analysis is more of an interpretive science and under the law, a conflict with an adopted plan or policy is not a significant impact unless it was adopted for a purpose of avoiding an environmental impact. The Seaport plan was basically adopted as an economic policy and the environmental effects are inconsistent with that aspect of the plan that they identified a conflict with are huge. On this basis, they concluded that it was a less than significant impact; however, BCDC which has to issue a permit for the project, commented on the DEIR and they felt that that impact should be significant. So, in response to that comment, they revised the significance of the impact which resulted in mitigation. They changed the EIR and 6-2 is now required as a condition of approval. He also said they significantly strengthened that mitigation measure from its draft form to its final form.

Chair Avellar felt changes from the project might cause the existing tenant, Mr. Kidder, to leave and he questioned if this was being mitigated. Mr. Matzorkis said they have not gone into the economic impacts of reducing the number of parking spaces; the reduction of parking spaces by the number that we have estimated would be well in excess of the amount of revenue generated from their lease agreement with that tenant. Another consideration, if they can, they can try to redirect the road to the south of his building. The question is whether they can engineer the road with a 45 degree turn required to work around his building, and this must be discussed with the City Engineer. They are trying to find a way to keep Mr. Kidder as a tenant, they have no ill intent to remove him, but he cannot promise something now, which he felt would be unfair.

Boardmember Woodrow suggested relocating him to the concrete warehouse, and Mr. Matzorkis said this could be an option. His staff has discussed several options, some do not work, and things have been looked at. He has been an excellent partner with the Port and there is no intention to dislodge them from the Port.

Boardmember Woodrow said two geotechnical reports are called for; one along the Port and the second at the area where tracks go over pipelines. He asked when will the studies be done, and Mr. Robbins said they are looking at starting them in the next couple of weeks, permits are needed from the City, and he confirmed there is no requirement for the reports to be received prior to certification of the EIR. He said they worked with BP for about four months to study the impacts of the project on their pipelines, have contributed funds to engineering studies undertaken by them to do this, and not all geotechnical or engineering work has been done until they get to the point where they have a certified EIR.

Director of Planning and Building Richard Mitchell said geotechnical studies and their details are handled by the Building Department Plan Check Engineers. After project approval, they determine whether it is buildable or not or what must be done to ensure that it is.

Chair Avellar referred to the cold iron shore power and he questioned whether or not there was funding for it. Mr. Matzorkis said there may be; he is knowledgeable about the funding for low emissions locomotives and their goal and as set up in the mitigations is to identify the potential for using emissions treatment systems. Depending upon that implementation, they would then look to evaluating the cold iron shore power.

The public hearing was closed.

Ms. Whales read into the record Boardmember Bloom's letter, voicing the need for an expert consultant, whether reductions of NO_x will occur, emissions from ships not being addressed, incomplete landscape plan, the need for a joint meeting with Bay Trail, Parks Service, the applicant and herself as the location of the Bay Trail is not indicated on the plan.

Boardmember Woodrow said he was still concerned with information not clear to him; that the vehicle count is 250,000 at the top end, we are not given commentary as to how noise issues would be mitigated, the NO_x number has greatly reduced but there is no written format or summation of this, and Boardmember Bloom's concerns have not been met. He felt all items were doable if the group were to return in one month with a summary of items. He said wind or fog patterns has not been taken into account which affects noise, said train whistles will be heard through the night, he wanted to see the written summary of the NO_x numbers in the way it was given verbally, and he would want to hear Boardmember Bloom's comments clarified.

Ms. Harbin said the Board could also condition this item in the Design Review Permit to return to the Board after the project goes to the City Council with the final landscape plan, details on the gateway feature, signage and other issues the Board may want to see again. According to the consultant, they have addressed mitigation relating to noise. Mr. Herring read the letter from

Mr. Arm and feels all issues have been addressed in the FEIR, but this could be followed up with a response that returns to the Board.

Boardmember Woodrow referred to Mr. Arm's letter and he believes there has been a lack of attention to weather patterns and their affect on noise, and this was not commented on. Ms. Harbin said the Board could request this. Boardmember Woodrow questioned why the Planning Commission was reviewing it in one week. Ms. Renfro said as the project is structured, there is no requirement for any Planning Commission approvals for a variance, subdivision map or CUP, nor for a recommendation on a rezoning or General Plan Amendment as none were required for this project. However, certain members at their last meeting requested information and wanted to be involved. It has been agendized for their next meeting, they were sent the FEIR with an invitation to attend tonight's meeting, and in the event this Board does not take final action tonight, it is agendized for them to discuss it at their next meeting. But, this was an accommodation to the Commission, though it has no decision-making role.

Boardmember Smith questioned how long it would take to address concerns, and Mr. Matzorkis said Mr. Miller could prepare information on fog and wind fairly quickly. Mr. Miller said wind impacts for noise are usually reported in flat wind conditions. In this particular case, there is a colored chart presented on page 6-3 of the DEIR which shows that the primary wind directions are toward the northeast. This also applies to noise, percentage of time noise would be directed in certain locations.

Boardmember Woodrow said he would hate the thought of the consultants may have to return to the Planning Commission. Commissioner Lee is present and can carry forward the testimony. He said if Mr. Herring were to respond with something in writing that builds the case for the NO_x value being dropped and how one might mitigate this, and then to meet the comments that Boardmember Bloom has made, he questioned if this would be part of the FEIR or were those separate in other documents.

Mr. Herring said comments raised by Boardmember Bloom are more related to design. They would not necessarily have to address those, and most likely they would return with a statement that indicates the comments are not related to environmental impacts of the project. Regarding returning with something that shows they reduced NO_x, this is not possible.

Boardmember Woodrow asked to return with a short document that spells another way of reducing the NO_x and he questioned if this would need to be part of the FEIR. Mr. Herring said he did not believe it would be part of the FEIR because it is not identifying a new impact; it is a request for presenting some information in a different way and it does not change any conclusions of the FEIR.

Boardmember Woodrow questioned that if Figure 6-1 requires there be some comment made about the fact that the most common winds are coming from the southwest, he said they will carry sound to parts of the town, there may be ways to mitigate that and he asked if this shouldn't be part of the FEIR.

EXTEND MEETING

ACTION: It was M/S (Avellar/Woodrow) to extend meeting to 10:45 p.m.; unanimously approved.

Mr. Herring said this was not submitted as a written comment on the DEIR, it does not identify a new impact, they did take air quality analysis and wind into consideration, there is some proposed live/work use coming into the Ford Building and typically there are CC&R's attached with disclosure that there may be noise or industrial affects. But other than that, the nearest

residential receptors are located one mile down wind. In this situation, there are no downwind receptors to indicate significant effect by standard operational noise from the Port. Boardmember Woodrow asked if a receptor could be placed on a pole nearby and asked that this be part of a report but not part of the FEIR.

Chair Avellar referred to the new trains and Mr. Matzorkis said the Richmond Yard has been recognized as one of the most successful yards in the State of California for reducing air emissions impacts by BAAQMD. Part of this is because all inter-modal operations were moved to Stockton. There have been public hearings on this, and the Burlington-Northern Santa Fe and the State have come together and worked out a deal where there is support in purchasing the GenSet locomotives. Six (6) locomotives have been delivered to the Richmond Yard. One has been earmarked for use on their project. The others will be used for the other switching. All of the switching of railcars will be done with GenSet locomotives because there are enough of them to replace the other locomotives. As it relates to this project, it is written in the EIR in documents that there is a commitment to use GenSet locomotives. He felt the Board could condition this on making certain that the GenSet locomotive would be used for this project.

Mr. Matzorkis said regarding sound, information was collected from the sensor locations, and there should be a condition that there is a initiative that is led by this project to create some sort of a quiet zone either at Wharf Street or other portions of the project. He thinks it would be grossly unfair to discount the fact that the noise studies done are not valid because of the fact that there is wind and fog. Also, they acknowledge there is a meeting of the minds that needs to occur between their project and those designing the Bay Trail which addresses Boardmember Bloom's comments.

Boardmember Woodrow further voiced concerns regarding wind and fog as it relates to noise, and Mr. Matzorkis said Mr. Herring just indicated that wind is not typically a consideration in measuring noise. Boardmember Woodrow acknowledged this but still suggested this be tried. Mr. Herring said he is not prepared to provide a detailed response to the issue tonight and said he was not sure what Boardmember Woodrow is looking for. He said they could set up noise monitors for two months and determine wind conditions and simulate train horns.

Chair Avellar acknowledged that according to Mr. Herring typically for an EIR, wind is not tested for noise impacts.

EXTEND MEETING

ACTION: It was M/S (Avellar/Smith) to extend meeting to 11:00 p.m.; unanimously approved.
--

Boardmember Woodrow said now that the Board has heard that any other statements that might come in are not constrained by being part of the FEIR, he does not see any need to carry it over for one month and supported action tonight.

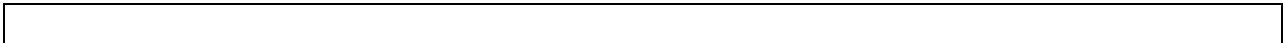
ACTION: It was M/S (Avellar/Smith) to certify the Draft and Final EIR (Volume I and II) with the accompanying appendices (Volume III), attached as Exhibit A, and including a response to the comment submitted by Mr. Arm on August 18, 2008, as adequate and complete for the project and to adopt Resolution EIR 1104434, Attachment 1, as modified to reflect that the Design Review Board is the certifying body, with Exhibit A-1, Statement of Overriding Consideration attached as Exhibit A-2, and Mitigation Monitoring and Reporting program as Exhibit A-3, as attached and modified by the Planning staff Memo, dated October 8, 2008, Additional Information for the project; and

Approve the Design Review Permit application (DR 1104434) for the project with adoption of the resolution in Attachment 2, as modified to reflect that the Design Review Board is the approving

body, in conformance with Exhibit B, Conceptual Plan, and Exhibit C, Conceptual gateway, and subject to staff-recommended conditions of approval and the following additional conditions of approval:

1. Final landscaping, lighting and gateway design to return to the DRB for final approval following consultation with Design Review Board Member Bloom and the design team for the San Francisco Bay Trail segment adjacent to the project.
2. Enlarge the “Entering Historic Shipyard # 3” wording on the Gateway Sign and work with the NPS, TRAC and Staff to establish the final location for the Gateway Feature.
3. The street lighting on Canal Blvd. should be historic style LED lighting.
4. All chainlink fence incorporated into the project shall be black coated.
5. All locomotives to be used in the BNSF switching yard proposed as part of the project shall be Genset locomotives or a more fuel-efficient and quieter model of locomotive.
6. The project proponent shall make best efforts to work with City Officials and the California Public Utilities Commission to establish a quiet zone within the project site from Cutting Blvd to Wharf Street, and shall bring documentary evidence of such efforts to the Design Review Board when the final landscaping, lighting and gateway plans are considered; and

Encourage the Port of Richmond to use best efforts to relocate the displaced MASS boat company; to seek public funding for cold-ironing shore side power; and to submit documentary evidence of such efforts to the Design Review Board when the final landscaping, lighting and gateway plans are considered.



2. Reports of Officers, Board Members, and Staff

Ms. Whales reported that AB 1234 requires public officials to undergo ethics training every two years, and said training is scheduled and offered on October 23, from 9:00 a.m. to 11:00 a.m. and from 1:00 p.m. to 3:00 p.m. in the Council Chambers.

Ms. Harbin reported that a meeting was held regarding the merger of the DRB and Planning Commission. Once comments are put together, the item will be taken to the City Council again. A study session will be held on October 16th with the Planning Commission to make comments on the actual ordinance, and all comments will be forwarded to the City Council who will then consider the draft ordinance.

Public Form - BROWN ACT – There were no public speakers.

The Board adjourned the meeting at 10:54 p.m.