

Concord Naval Weapons Station Concord Reuse Project Area Plan Implementation

Request for Master Developer Qualifications

May 28, 2021

Addendum #1 to the April 16, 2021 RFQ

Updated SOQ Submittal via ShareFile Instructions – Replaces Section 5.4 of the RFQ

The City will be utilizing ShareFile for submittals of proposals. Representatives attending the mandatory Pre-Response Conference that identified themselves as “Potential Lead Developers” will receive an e-mail from the City on June 9, 2021 confirming their plans to submit an SOQ. Those indicating their intent to submit an SOQ will be provided with a unique link (via e-mail from Grant Spilman at the City) on June 11, 2021.

This link to the City’s ShareFile account will be utilized for the uploading of submittals, due by the proposal deadline of **Friday, June 18, 2021 by 3 P.M. PDT**. The City requests all files to be “zip-filed” prior to submittal. All Respondents must also e-mail the Planning Division’s administrative contact (Grant Spilman) at Grant.Spilman@cityofconcord.org upon submittal of files to the City to confirm receipt.

Responses to Master Developer Questions submitted by May 14, 2021 deadline

This document includes responses to questions submitted at the Pre-Response Conference held on May 4, 2021, as well as those submitted by the May 14, 2021 deadline for additional questions.

1. Will Master Developers located in Contra Costa be given priority status for Selection?

No, there is no priority for Master Developers located in Contra Costa County. Please refer to the Selection Criteria in the RFQ in Section 5.3. The City Council will be making this selection using those criteria.

2. Is it possible to schedule a tour of CNWS? We are one of the lead developers. Some of our team members have not been out on the site.

As Covid restrictions have evolved over the past several weeks, the City has offered a tour to Lead Developers. Those who have responded they were planning on submitting an SOQ will be invited to join a tour at a time arranged by the City. If you are a Lead Developer who joined the Pre-Response Conference, are planning to submit an SOQ, and did not receive an email from Guy Bjerke, please contact him immediately at Guy.Bjerke@cityofconcord.org to participate in a tour.

3. During the pre-proposal meeting, Guy Bjerke indicated that the City would make available to the attendees the Lennar financial projections and plan. Although Mr. Bjerke cautioned that the City had neither approved nor accepted Lennar's plans. When and how will the City share the Lennar financial projections and plan?

The information referred to in the pre-proposal meeting is the City team's review of Lennar's financial projections. Those review materials are included in the packet from the City Council meeting held on January 7, 2020, in Attachment 3, accessible via the City of Concord website (<https://www.cityofconcord.org/771/Public-Meetings>). The City doesn't have any Lennar financial projections beyond the information that was included in the Council meeting agenda packet.

4. Deck will be available after?

The presentation from the Pre-Response Conference is available on the project website: <https://www.concordreuseproject.org/DocumentCenter/View/2192/Pre-Response-Conference-Powerpoint-Slide-Deck>

5. Will the City make the presentation slides available to attendees? It would benefit all of us.

See response to Question 4.

6. Will the PBC park need any access easements through the yellow area?

Yes, there will be access to the EBRPD PBC, some of which is likely to be through the EDC.

7. Can a list of attendees and their contact information be shared?

The pre-proposal conference attendee list is available on the project website: <https://www.concordreuseproject.org/DocumentCenter/View/2191/Pre-Response-Conference-Attendees>

8. Will you be publishing the list of attendees for this zoom?

See response to Question 7.

9. When you share the attendee list, can you note the attendees who have identified themselves as potential leads or master developers? And can you tell us here now how many leads / master developers have identified themselves so far?

See response to Question 7.

10. Will a CAC be established?

The City Council will consider how the community will be engaged following Master Developer selection. A community advisory committee (CAC) is one option that could be considered, but no decision has been made.

11. What is the current annual city consultant cost?

Current annual City consultant costs are approximately \$800,000, but the current level of effort is lower than in some prior years when the previous Master Developer was progressing the project.

12. What is the total city spend to date (since 2005)?

See Section 3.7 of the RFQ for a discussion of City General Fund costs up to this point. As noted in the RFQ, the approach to reimbursing the LRA for past expenditures will be a subject of negotiation with the selected Master Developer. In addition to those costs, the City has received grant funding to support the project from the Navy/Office of Economic Adjustment (OEA), MTC/ABAG, and from the City's Redevelopment Agency prior to dissolution, among other sources.

13. What is the annual city staff costs (projected)?

Costs are relatively low at approximately \$500,000 per year, reflecting the primary focus on staffing the project via consultant support to retain flexibility. Three FTEs are assigned all or in part to the project. As the project ramps back up, those may increase.

14. Does the city of Concord have a proposed project time line?

The project has roughly a 30-year projected buildout. The exact timing will be driven by availability of land due to remediation led by the Navy and by the real estate market.

15. What is the selection criteria for round 2, points for each category? selectors or panel

There are no current plans to have a Round 2. See the RFQ Section 5.1 for a description of the selection process and RFQ Section 5.3 for Selection Criteria. The City Council will serve as the selection panel throughout this process unless the Council chooses to delegate a portion of their work.

16. Is the economic analysis from the previous process available as a public document?

See response to Question 3.

17. Is the winner of the GSA auction of the USCG site currently known? Who is it?

Eddie Haddad and Georges Maalouf were the highest bidders for the USCG site.

18. What are the plans for the selection process of an affordable housing sub developer?
Should we submit qualifications at this time?

See RFQ Section 3.15 for a discussion of affordable housing. The details of the approach will be determined via the Specific Plan, but the intent has been that the City will manage a competitive process for affordable housing developers for each site. Affordable housing developers may join Master Developer teams, but they should recognize that they may be in conflict for competitive processes undertaken by the City as the project proceeds.

19. Were negotiations started with the Navy and City/Lennar for the EDC portion prior to Lennar's exit?

Yes, the City had initiated EDC negotiations with the Navy prior to bringing Lennar onboard and continued them with Lennar at its side. Navy had encouraged involvement of a Master Developer in discussions of the financial arrangements to ensure they were grounded in realistic assumptions about planning for development. The past negotiations provide a rough framework, but the City expects to re-initiate those negotiations once a new Master Developer is selected.

20. What is project time line for entire project as envisioned?

See response to Question 14.

21. Is the detailed design, engineering, financial and market analysis prepared and submitted by Lennar owned by the City and, if so, will it be available to the selected development partner?

See response to Question 3 for information on the City Team's review of the financial and market analysis. Detailed design and engineering were completed only to the extent that they informed the Administrative Draft Specific Plan. The results are reflected in the documents posted on the Project website.

22. Will the affordable parcels be retained by the City?

This has not been determined and the approach may vary by parcel. The approach to property ownership for affordable housing parcels will be determined through the Specific Plan process.

23. How do we connect with master developers?

See response to Question 7.

24. Since there was a large financial issue with the project, are there other components that can be adjusted to make the project more financially feasible? Such as Tournament Park, Campus?

The City is seeking responses from Master Developers as to how their project vision responds to the real estate market, as well as the CRP Area Plan. See Question 1 in Section 5.2.4. The Tournament Sports Complex and Campus District have always been intended as stand-alone projects to be led by the City.

25. In prioritization and review, will City prioritize for those developers providing a direct financial contribution toward affordable housing?

Lennar's Term Sheet

(<https://www.concordreuseproject.org/DocumentCenter/View/1666/Lennar-Term-Sheet> - see Page 7) with the City included a commitment to provide \$40M in gap funding toward development of low and very low income housing. This funding would have been in addition to making development ready pads available.

26. Was the \$40 Mil. in excess of the making the land available?

See response to Question 25.

27. Is there an ordinance or other legal document that establishes and provides more information on the Concord First policy described in Section 3.11?

No, there are no additional legal documents beyond those provided in Section 3.11 of the RFQ.

28. What if anything has changed in the City's vision as outlined in the CRP area plan since adopted in 2012?

There have been no fundamental changes to the City's vision as outlined in the CRP Area Plan. The City has progressed its vision for the Campus District and Tournament Sports Complex as described in Section 3.4 of the RFQ (which includes links to documents related to both). In addition, see the discussion regarding the planning process, including the Administrative Draft Specific Plan prepared by Lennar, in Section 1.4 of the RFQ.

29. Has or how will the City confirm that the affordable housing treatment will satisfy the State's surplus lands requirement?

The results of the City's analysis of the Surplus Land Act are described in the RFQ in Sections 1.5 and 3.15. The City's approach was informed by conversations with HCD and Navy over the several months leading up to issuance of the RFQ.

30. Has the FOST-1 report been revised in include the FIB and Borrow/Dredge areas?

See updated Overview section from Appendix C, below.

31. What property will the FOST -2 include and what is the timing for FOST-2?

See updated Overview section from Appendix C, below.

Appendix C – Remediation

Overview Section Updated

Because this development opportunity involves a former military facility, it is important that any Master Developer fully understand the status of the clean-up efforts on the CNWS site.

The following paragraphs provide a broad overview of the programs and regulations that guide Navy performance on site clean-up for transfer. Specific documents are italicized when referred to in this Appendix, and a bibliography of documents prepared by, or for, the Navy and received by the LRA can be found [here](#) to assist bidders in conduct of due diligence. Interested parties are encouraged to review these documents and to consult with technical, regulatory and legal advisors as appropriate in order to evaluate risks associated with development at the CNWS. Please contact the LRA's administrative contact [Israel MoraGuy Bjerke](mailto:Israel.MoraGuy.Bjerke)

(Guy.Bjerke@cityofconcord.orgisrael.mora@cityofconcord.org) to request any of the documents in this Appendix and/or in the bibliography.

Please note that the information provided below is for general reference purposes only, and the LRA makes no representations of any kind about the above-referenced documents, or with regard to Navy legal or regulatory obligations or requirements, or program, or statutory content or requirements. The information provided by the Navy represents an evolving program and the completion dates are estimates subject to change.

The CNWS was listed as a Superfund Site by the Environmental Protection Agency (EPA) in 1994 primarily as a result of the contamination within the Tidal Area of the Base, near Port Chicago. The Tidal Area remains operational as a military facility and is not part of the BRAC transfer. A range of pre-development clean-up, monitoring, and site management requirements apply. Generally, the Comprehensive Environmental

Response, Compensation, and Liability Act (CERCLA, 42 USC 9601 et seq.) and the National Oil and Hazardous Substances Pollution Contingency Plan (NCP, 40 CFR 300) and applicable state law establish requirements and procedures for the federal government's environmental cleanup of hazardous materials on the CNWS site. CERCLA, furthermore, requires that a deed for federally owned property being transferred outside the government contain covenants regarding the remediation of hazardous materials. The covenants also frame a process for determination of liability for unknown contaminants found post-transfer.

The Resource Conservation and Recovery Act (RCRA) requires a number of safe and secure procedures for treating, transporting, storing, and disposing of hazardous wastes and sets forth permitting requirements for hazardous waste management activities, including closing a facility. In 2003, the State Department of Toxic Substances Control (DTSC) closed the permitted hazardous waste facilities on the CNWS site. Several individual sites continue to undergo clean up, and closure will be processed under CERCLA.

Not all of the areas requiring remediation are known at this time, as the Navy needs to undertake additional phases of site characterization and investigation. In regard to MEC (Munitions and Explosives of Concern), the Navy is entering a refined phase of investigation in an effort to more precisely determine the nature and extent of the potential munitions-related contamination and develop remedies for future use scenarios.

Bunker and building demolition and abatement of asbestos and lead-based paint on buildings will be the responsibility of the Master Developer. Cost estimates prepared for the LRA are included in the preliminary unit costs.

Since being listed as a Superfund Site, the Navy has followed a clean-up process in accordance with DOD remediation programs. These programs are listed below and more information on them can be found in Book Two of the CRP Area Plan.

1. Military Munitions Response Program (MMRP) addresses areas where MECs might be present in the environment
2. Installation Restoration (IR) Program identifies, investigates, and remediates contamination from hazardous substances, pollutants, and contaminants

Before any property comprising the CNWS site may be conveyed to the LRA for subsequent conveyance to the Master Developer, the Navy must complete a "Finding of Suitability for Transfer" (FOST), and ~~will~~ seek concurrence on the FOST from EPA, ~~and~~ the California Department of Toxic Substance Control (DTSC), [the California Department of Fish and Wildlife \(CDFW\)](#) and the Regional Water Quality Control Board (RWQCB). At this time approximately 1,100 acres (shown in Figure 1 in yellow) has been documented as the first FOST.

[Navy has a second FOST pending for the Borrow/Dredge site.](#)

[Navy anticipates that a second FOST may be approved for the The Former Inland Burn Area \(FIB\) is likely to follow as all or a part of a third FOST. The Navy is aware of this area's priority to support orderly buildout.](#)

Actual transfer of ~~these two areas~~ [any FOST area](#) is dependent on submittal by the LRA, and approval by the Navy, of an EDC application. ~~That~~ [The EDC application](#) process is projected to be completed in fiscal year (FY) 2022/2023, [allowing land approved for](#)

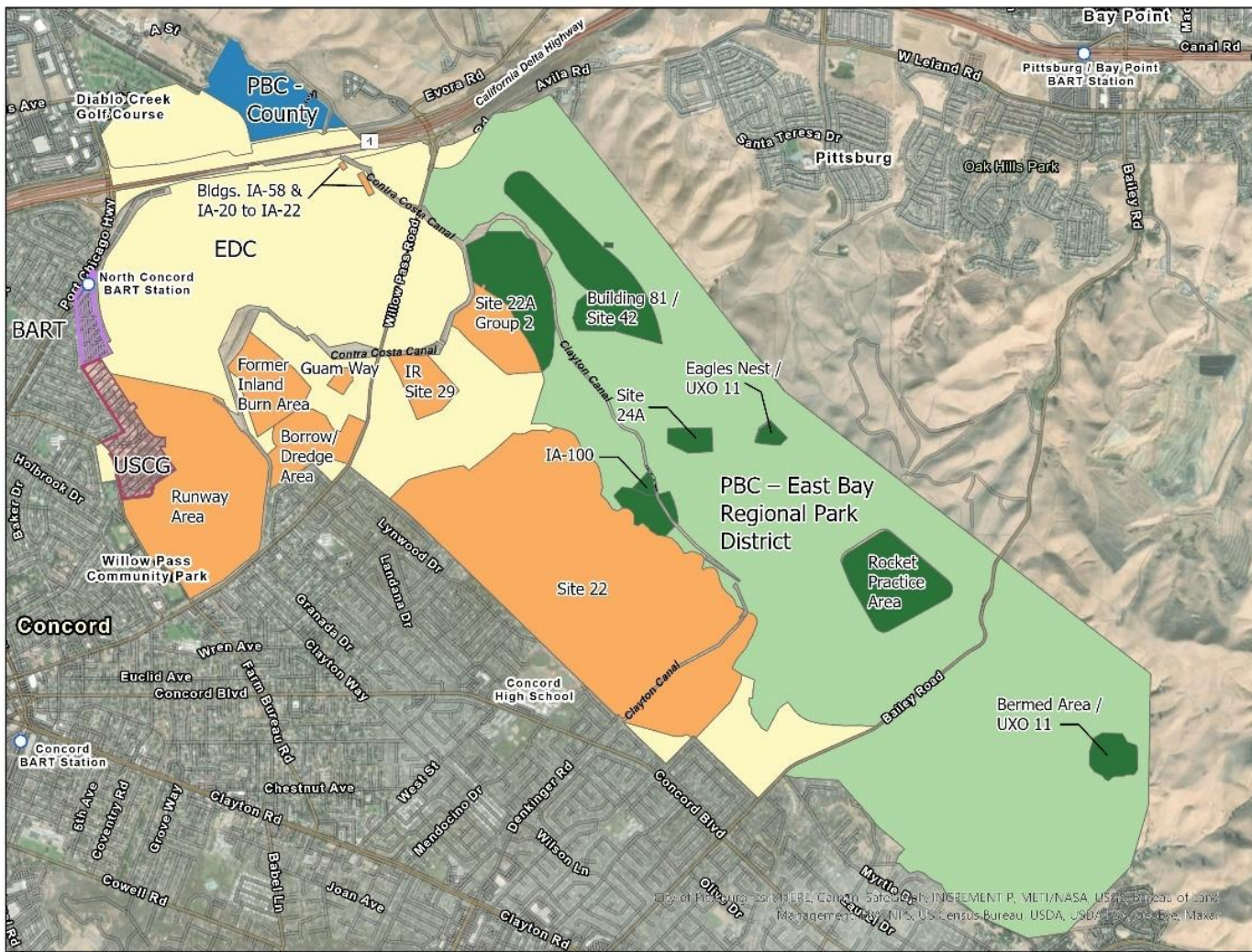
transfer via FOST to be transferred. Guam Way and Site 29 would likely be suitable for transfer in FY 2027 and 2028, respectively.

FOST preparation and transfer of Site 22 and the Runway Area, as shown on Figure 1 are unknown at this time as characterization and remedy selection are still in preparation. At the time of preparation of this RFQ, the Navy is conducting a site wide investigation of a chemical of emerging concern (designated by the EPA) Polyfluoroalkyl substances (PFAS). The Navy's draft preliminary assessment which is undergoing regulatory review indicates there are no PFAS areas of concern within the first two FOST areas. The LRA has not independently reviewed these findings and is not aware of concurrence by regulators of these preliminary findings.

Under BRAC regulations the Navy gives deference to future land use designations in the reuse plan (or in Concord's case its Area Plan) in defining cleanup standards. Based on existing data, there are a number of areas planned for residential use that will require the Navy to consider a remedy that allows for such land use, with State and federal regulatory concurrence.

Following is a discussion of the sites, shown in orange in Figure 1, including current status and estimated timelines for transfer.

Figure 1 Remediation Boundaries



Concord Reuse Project Remediation Carveouts Boundaries

February 23 2021

- Development Footprint/
Economic Development
Conveyance (EDC) - Finding of
Suitability to Transfer (FOST 1)
- Development Footprint/
Economic Development
Conveyance (EDC) - Parcels to
be Transferred at a Later Date
- Public Benefit Conveyance (PBC)
- East Bay Regional Park District
- Public Benefit Conveyance (PBC)
- East Bay Regional Park District
- Parcels to be Transferred at a
Later Date
- Public Benefit Conveyance (PBC)
- County
- US Coast Guard (USCG)
Property
- BART Property
- BART Station

UXO Sites 9 and 3 and IR Site 13 – “Former Inland Burn Area”

The Former Inland Burn/Railroad Sidings Excavation Site (FIB/RSE) is located in the western portion of the Concord Reuse Project Figure 1), and includes UXO Sites 9 and 3, and IR Site 13.

The Final Record of Decision for the FIB/RSE was completed September 24, 2020, describing Land Use Controls (LUC) for the site (Final Record of Decision for Former Inland Burn/Railroad Sidings Excavations (UXO Sites 9 and 3 and IR Site 13) at the former Naval Weapons Station Seal Beach Detachment (NAVWPNSTA) Concord in Concord, California. September 2020). The LRA is discussing with the Navy whether these sites can be added to the Phase 1 transfer or whether they will transfer in a later phase.

MMRP Site 11 Guam Way

Guam Way is located in the west-central portion of the Concord Reuse Project (Figure 1). The site was potentially used for storage or disposal. Buried debris, including munitions, were excavated from the site during a trenching operation conducted as part of the initial site investigation.

The investigations and removal actions at Guam Way are summarized in Final Remedial Investigation, Guam Way (UXO 11) Naval Weapons Station Seal Beach Detachment Concord, Concord, California (NOREAS, February 2017. Ground Water monitoring is ongoing at the site and additional soil gas sampling is anticipated during 2021. Results of the treatability study and results of the continued monitoring will be incorporated into the Feasibility Study for the site. Transfer is projected for 2029.

Site 29 Plume Area (Building IA-25)

IR Site 29 is located within the west-central portion of the Concord Reuse Project area (Figure 1) and was the site of munitions development and reworking. The site includes Buildings IA-19, IA-25, and 263. A sink and sanitary sewer system was constructed with Building IA-25 that drained through a 6-inch clay pipe into a partially buried septic tank and associated leach field, decommissioned in 1997. Disposal of chemicals from this area is the presumed source of a chlorinated solvent plume in groundwater beneath the site. Investigations and remedial activities at the site are ongoing. Transfer dates are unknown at this time but likely 2028.

RAD Sites (IA-58, IA-20, IA-21, IA-21A, IA-22)

The Radiological Sites within the EDC are located in the northwestern portion of the Concord Reuse Project (Figure 1). They include five buildings: IA-20, IA-21, IA-21A, and IA-22, which were evaluation laboratories, and Building IA-58, an X-ray facility.

Complete radiation scoping surveys were completed in 2011 and are reported in: Draft Final Status Survey Reports IA-21, IA21A, IA-22, IA-58. Base-wide Radiological Survey (Gilbane, 2013). These reports document the methods and standard procedures for survey design. Building IA-58 is specifically evaluated in: Revised Final Site Inspection Report. Building IA-58 Radiological Survey (Gilbane, 2017).

The radiological survey results demonstrate that the levels of radioactivity are below the derived concentration guideline levels and are comparable to background levels represented by a reference area. Based on the results of the radiological survey, the reports recommended no further action for radiological contaminants under CERCLA. This resulted in a “no further comment” letter from the California Department of Public

Health Radiological Division. However, EPA has delayed providing comments pending resolution of radiological technical issues at Hunters Point Naval Shipyard that may be relevant to the Concord Work Plan. Navy management is currently working with EPA to resolve these issues. Transfer dates are currently unknown.

Runway Debris Area

The Runway Debris Area (RDA) is approximately 150 acres and is located in the western portion of the Public Benefit Conveyance (Figure 1). This area includes a separately identified area known as the Southern Railroad Revetment Area (SRRA). In 2013, munitions-related items were observed in the area during a preliminary detector-aided visual survey. Based on a review of historical aerial imagery, the former airfield was constructed in the early 1940s. Historical photographs also indicate that the former airfield was used to store and sort aircraft and related materials, because metal debris was identified in several areas along the former runways and taxiways. The airfield consists of a north-south-oriented runway and an east-west-oriented runway. Until 1946, portions of the RDA were used for maintenance and synchronization of aircraft-mounted machine guns.

The southern portion of RDA is located south of the east-west oriented runway and includes land surrounding the former Runway Apron Fuel/Septic System Area and land to the west-southwest where munitions-related items certified as material documented as safe (MDAS) were encountered in 2013 during a preliminary detector-aided visual survey.

A supplemental Site Inspection was performed in 2019 (Final Supplemental Site Investigation for the Runway Debris Area and Southern Railroad Revetment Area (December 2020)). The supplemental inspection included detector-aided surface clearance, digital geophysical mapping and subsurface investigation and removal.

The SI found no munitions-related debris in the SRRA, in the northern portion of the RDA, and recommended no further actions for this 61-acre area. The SI did recommend further investigation and removal within the remaining 76 acres of the RDA as well as chemical investigation of soil and ground water. The schedule for transfer of this area is unknown at this time but estimated beyond 2027

Site 22 Group 6 Magazine Area

IR Site 22 is located in the central portion of the Concord Reuse Project (Figure 1) and is approximately 531 acres, including 14 buildings and 116 ammunition magazines connected by a series of parallel roads and railroad spurs. All bunkers and magazines have been empty and sealed since 2001, and the site is used for cattle grazing.

Multiple investigations conducted to delineate the nature and extent of arsenic contamination are summarized in Final Remedial Investigation Report for Installation Restoration Site 22, Naval Weapons Station Seal Beach Detachment Concord, Concord, California. Tetra Tech EM Inc., 2007.

Surface soil was identified in the investigation as the medium of concern at Site 22, and arsenic was identified as the chemical of concern for potential future residents. The Navy has committed to the City and the EPA to a clean-up standard of unrestricted use where an exposure pathway exists. The Navy is presently evaluating the effectiveness of phytoremediation as a remedy. Transfer schedule for this property is unknown.

Site 22A (Group 2)

IR Site 22A consists of five separate groups of munitions storage magazines connected by roads

and railroad spurs and surrounding open grassland in the central portion of the CRP Area (Figure 1). Of these five magazines, only a portion of Magazine Group 2 is within the EDC. Magazine Group 2 contains 39 magazines and is approximately 154 acres.

The Navy, EPA, and the State signed a ROD for IR Site 22A in 2015 (Final Record of Decision for Installation Restoration Site 22A Former Naval Weapons Station Seal Beach Detachment Concord, Concord, California October 7, 2015). The ROD documents that no action is necessary for arsenic in soil at Site 22A (Magazine Group 2) and acknowledges further investigation under the radiological program is required at 35 magazines within Site 22A (Magazine Group 2). All of the magazines within IR Site 22A (Magazine Group 2) are in a Site Investigation/Scoping Survey phase, which is currently on hold pending resolution of Hunters Point Naval Shipyard issues. Potential transfer dates are unknown at this time.