

# *City of Brisbane*

## *Agenda Report*

TO: Honorable Mayor and City Council

FROM: John Swiecki, Community Development Director via City Manager

SUBJECT: **Request from Recology for the City to Initiate a Planning and Environmental Review Process for the Proposed Recology Expansion**

DATE: Meeting of June 17, 2013

### **City Council Goals:**

To provide for effective and efficient delivery of City services. (Goal#1)  
To promote economic development that stabilizes and diversifies the tax base. (Goal #4)  
To encourage community involvement and participation. (Goal# 15)

### **Purpose:**

For the City Council to consider a request from Recology that the City initiate a planning and environmental review process for the proposed Recology expansion, independent from the ongoing Baylands process.

### **Recommendation:**

That the City Council: 1) approve the request from Recology to initiate an independent planning and environmental review process for the proposed Recology expansion; 2) approve the attached Agreement to Pay Processing Costs obligating Recology to pay all costs associated with City processing; 3) authorize the City Manager to execute a Consultant Agreement with ESA Inc. to prepare an environmental impact report (EIR) for the proposed Recology expansion; and 4) direct City staff to initiate preparation of a Memorandum of Understanding (MOU) with the City of San Francisco establishing the City of Brisbane as the CEQA Lead Agency and the City of San Francisco as Responsible Agency for the proposed Recology expansion.

### **Background:**

The proposed Recology expansion project is a component of a land use plan (Community Proposed Plan-Recology Variant) evaluated in the just-released Baylands Draft EIR. This variant proposes expanding Recology's existing 44-acre facility by approximately 24 acres adjoining their existing facility straddling the Brisbane/San Francisco boundary.

As presented in the attached letter, Recology is requesting the City to initiate a stand-alone planning process for their proposed expansion, thereby allowing it to be processed independently from the larger Baylands Specific Plan project. As noted in their request, Recology is working with the City of San Francisco to achieve San Francisco's goal of 100% landfill waste diversion by 2020, and the expansion and modernization of the Brisbane facility is a key element of this effort. Given timing and scheduling factors, Recology is requesting to proceed independently and not be tied to the City's decisionmaking process on the larger Baylands development.

**Discussion:**

Staff concurs that there may be scheduling and timing issues for the proposed Recology expansion if it remains linked with the larger Baylands review process. If they remain linked, a number of steps will be required before a decision is reached on the proposed Recology expansion, with additional steps before the expansion could actually proceed. The Baylands Final EIR would first need to be certified, followed by approval of a Baylands Specific Plan which includes the Recology expansion. At that point Recology could move forward with project-specific environmental review and planning to implement the approved specific plan.

Given the importance of the overall Baylands project to the City's future, the City Council is committed to a thorough and intensive public review process which is designed to ensure the highest level of community participation possible in this important decision, not necessarily to meet a fixed time deadline. This process may include a number of time-intensive steps, such as a city-wide survey and ultimately a public vote. The time required for this process may not accommodate Recology's schedule, which will require Recology to know with certainty whether or not they will be permitted to expand within Brisbane or if they will be required to seek alternative sites. And while it is problematic for Recology to be tied to the timing of the larger Baylands process, it would be inappropriate for the Baylands schedule to be driven by Recology's timing needs. Allowing Recology's planning process to proceed independently would allow both the Baylands and Recology to proceed at the appropriate pace, given the scope of the separate projects.

Allowing Recology to proceed independently is both legally and procedurally appropriate. The types of planning applications (General Plan Amendments, Zoning changes, Specific Plan adoption) referenced in Recology's request are all legislative actions that can be initiated by the City. It should be emphasized that the request is to **initiate** a planning process. Should the process be initiated as requested, formal applications will be subject to full environmental review and discretionary review involving public hearings before the Planning Commission and City Council. The act of initiating the process in no way prejudices or predetermines what the outcome of the process might be. As noted above, one rationale for Recology to proceed on a standalone basis is to allow them time to identify alternatives in the event they are not allowed to expand within Brisbane. Additionally, reviewing the Recology expansion on a standalone basis (as opposed to as a component of a 700-acre specific plan) will allow for a more focused and comprehensive

review of the proposed expansion, thereby providing for a more meaningful public review process.

Consideration of the proposed Recology expansion on an independent basis does not adversely influence the larger Baylands planning process. The physical area of potential overlap between the draft Baylands Specific Plan and the proposed Recology expansion is extremely limited, involving approximately 24 acres at the northerly boundary of the Baylands General Plan Subdistrict, which represents less than 5% of the Baylands. Any independent land use determinations made on this small area at the northerly edge of the site will not in any manner constrain or predetermine land use decisions for the balance of the Baylands.

From an environmental review perspective, performing an independent environmental review of the Recology expansion does not compromise the Baylands Draft EIR now under public review, from either a substantive or procedural basis. A stand-alone environmental impact report will be required for the proposed Recology expansion, and some of the information required for the Recology EIR would be extracted from the existing Baylands DEIR. The Baylands DEIR would also inform a standalone Recology EIR by providing context of how Recology fits within the larger area, and by providing a detailed discussion of cumulative impacts. An EIR focused solely on the proposed Recology expansion will allow for a more detailed and thorough analysis of the proposal, as compared to it being evaluated as a component of the larger specific plan.

In the event City Council chooses to approve Recology's request, a number of actions are also recommended. It is recommended that Recology be responsible for all processing costs associated with the City's planning and environmental review, and that the attached Agreement to Pay Processing Costs be executed. As noted above, the proposed Recology expansion will require a stand-alone EIR. This document will rely heavily on information contained in the Baylands Draft EIR, and it would be appropriate for the City to engage ESA, which prepared the Baylands DEIR, to prepare the EIR for the proposed Recology expansion. A preliminary work scope and budget have been attached for information. Since the scope and budget are subject to change, it is recommended that the City Manager be authorized on behalf of the City to execute the final Consultant Agreement with ESA. Lastly, the Recology site straddles the Brisbane/San Francisco border which raises the issue of who will serve as the "Lead Agency" for purposes of the Draft EIR. Since the proposed expansion occurs within Brisbane, it is recommended that Brisbane serve as the "Lead Agency" with San Francisco serving as a "Responsible Agency." In preliminary discussions with San Francisco staff, they have stated their concurrence with this approach. It would be appropriate for a Memorandum of Understanding (MOU) to be executed between San Francisco and Brisbane to formalize this agreement. Once the MOU is negotiated, it will be brought back to the City Council for execution.

**Fiscal Impact:**

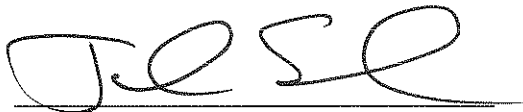
Not applicable. As noted previously Recology will be responsible for all processing costs.

**Measure of Success:**

That the planning processes for the Baylands and Recology occur in a logical and orderly fashion, with each proceeding at the appropriate pace and with appropriate public input.

**Attachments:**

Recology Request Letter  
Draft Agreement to Pay Processing Costs  
Preliminary EIR Scope of Work/Budget



John Swiecki, Community Development Director



Clay Holstine, City Manager



June 11, 2013

Mayor Miller and Members of the City Council  
City of Brisbane  
50 Park Place  
Brisbane, CA 94005-1310

**Re: Request for the City of Brisbane to Initiate the Planning Process for  
Recology's Expansion Project**

Dear Honorable Mayor Miller and Members of the City Council,

The purpose of this letter is to request the City of Brisbane to initiate the planning process for Recology's proposed expansion project in the northeast portion of Brisbane, known as the Beatty Subarea.

As you are aware, Recology has plans to expand its existing 44.7-acre facility by about 24 acres to a total of 68 acres. This additional area will allow Recology to consolidate existing offsite recycling and corporation yard facilities into one location, replace its current buildings, some of which are over fifty years old, and modernize its operation with new recycling and resource recovering facilities. The expansion and modernization of the facility is needed to assist the City and County of San Francisco in achieving its goal of 100% waste diversion from landfill (zero waste) by 2020.

Recology's proposed expansion has been studied by the City in the context of the *Recology Expansion Variant* in the Baylands Specific Plan Draft Environmental Impact Report (DEIR). As described in the DEIR, the two main objectives for the redevelopment and expansion are to 1) replace aging and deteriorating infrastructure, and 2) provide updated infrastructure needed to achieve San Francisco's goal of zero waste.

Recology's site and proposed expansion is but a small part of the approximately 733-acre Brisbane Baylands project site. Recology believes it is in the best interest of Recology and the community for Recology's project to proceed independently of the Baylands Specific Plan development. By pursuing its development entitlements separately from the Baylands Specific Plan, Recology hopes to expedite its project's planning process and environmental review to meet Recology's and San Francisco's project completion goal.

Recology agrees to reimburse the City of Brisbane's costs to process the necessary General Plan Amendment, Specific Plan and Zoning Amendment for the Beatty Subarea to allow for Recology's proposed expansion project. Recology's design and planning consultants and engineers will provide the necessary project data, plans and diagrams for the planning application and environmental review.

Recology understands and acknowledges that the City of Brisbane in agreeing to process these planning applications, is not committing itself to or agreeing to approve any of these land use entitlements for the expansion of Recology's facilities, or to undertake any other acts or activities relating to the City's subsequent independent exercise of its discretion.

We would be pleased to provide to the City any additional information it may need on Recology's expansion project in its consideration of this request.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Michael J. Sangiacomo", with a long horizontal flourish extending to the right.

Michael J. Sangiacomo  
President & Chief Executive Officer  
Recology Inc.

## AGREEMENT TO PAY PROCESSING COSTS

**THIS AGREEMENT**, dated \_\_\_\_\_, 2013, by and between THE CITY OF BRISBANE, a municipal corporation ("City"), and RECOLOGY, INC., a California corporation ("Recology"), is made with reference to the following facts:

A. Recology owns and operates a solid waste disposal and recycling facility, a portion of which is located within the City and County of San Francisco and a portion of which is located within the City of Brisbane ("the Facility").

B. Recology desires to expand the portion of the Facility located within the City of Brisbane ("the Expansion Project") and intends to apply to City for approval of an amendment to the Brisbane General Plan, approval of a text amendment to the Brisbane Zoning Ordinance, approval of a Specific Plan covering the area to be occupied by the Expansion Project, and such other land use entitlements and permits as may be required ("the Project Approvals").

C. City is willing to process the applications for Project Approvals so long as Recology pays all costs and expenses City will incur in connection therewith. To insure that funds are readily available for payment of such costs and expenses, Recology has agreed to fund a Reserve Account maintained by City, as hereinafter set forth.

### **NOW, THEREFORE, the parties agree as follows:**

1. **Establishment of Reserve Account.** Upon the execution of this Agreement, Recology shall deposit with City the sum of Fifty Thousand Dollars (\$50,000.00), to be held by City as a Reserve Account and disbursed from time to time in accordance with the terms of this Agreement. City shall keep separate records of the Reserve Account showing the deposits made by Recology and all disbursements from the account made by City, and such records shall be available to Recology for inspection at any time during City's regular business hours. The City shall send to Recology a statement of the Reserve Account's deposits and disbursements on a quarterly basis. Although separate accounting records of the Reserve Account shall be maintained, City shall not be required to segregate the Reserve Account into a separate fund and no interest shall be payable to Recology thereon. On Recology's request, if there is a need to have the statement before the end of a quarter, the City agrees to provide to Recology a special statement prior to the end of the quarter.

2. **Payment of Processing Fees and Costs.** At the time of filing the applications for Project Approvals, Recology shall pay to City the normal processing fees for such applications as may be specified in City's adopted fee schedule. To the extent that such fees are insufficient to pay City's actual processing costs, City shall disburse from the Reserve Account such amount as may be necessary for payment of any deficiency. The City shall send to Recology on a quarterly basis a statement of the Processing Costs incurred with a description of the services or goods provided, the names of the City Staff,

Professional Consultant or Legal Counsel providing the billed service and the time expenditure for the services. On Recology's request, if there is a need to have the statement before the end of a quarter, the City agrees to provide to Recology a special statement prior to the end of the quarter. Processing costs shall include the following:

- (a) The cost of the actual time spent by the City staff in processing the applications for the Project Approvals to the extent that the initial application fees paid by Recology are insufficient to fully reimburse the City for such cost, based upon the hourly rates for City staff as may then be in effect.
- (b) The cost of all professional consultants retained by City to assist in processing and evaluating the application, including, but not limited to, civil engineers, soil engineers, engineering geologists, traffic engineers, plan checkers, and experts on hazardous materials and solid waste. Before retaining one of these professional consultants, the City shall first consult with Recology on the need for the consultants' services.
- (c) The cost of professional consultants retained by City for preparation of all environmental studies, reviews and reports as may be required by the California Environmental Quality Act.
- (d) The cost of legal services provided by the City Attorney billed separately to the Expansion Project, and the cost of outside legal counsel retained by City for services related to the Expansion Project.
- (e) Other out-of-pocket expenses reasonably and necessarily incurred by City in connection with the processing of the environmental reviews and Project Approvals, including, but not limited to, the cost of publication and mailing of notices of public hearings, and the cost of reproduction of surveys, plans, drawings and documents.

3. **Reinstatement of Reserve Account.** If, at any time, a disbursement from the Reserve Account would result in the balance being inadequate to cover foreseeable expenses to be incurred by City, plus a reasonable margin as deemed appropriate by City based upon the nature of the anticipated expenses, City shall give written notice of such fact to Recology and Recology shall, within fifteen (15) days after receipt of such notice, deposit with City such additional amount as may be necessary to restore the balance of the Reserve Account to an amount indicated by City in the notice. In the event of any failure or refusal by Recology to deposit the additional funds, City shall be entitled to suspend all further processing of the Project Approval applications.

4. **Termination of Agreement.** Upon completion of all processing of Recology's applications for Project Approvals, either as a result of final action having been taken thereon by City or written withdrawal of the applications by Recology, any balance remaining in the Reserve Account after payment in full of all costs and expenses owed to City under the terms of this Agreement, shall be refunded to Recology.



5. **Notices.** Any notice or demand required or permitted to be given hereunder shall be in writing and shall be either personally delivered or sent by certified mail, return receipt requested, to the address of the other party as follows:

To City: City of Brisbane  
Attn: City Manager  
50 Park Place  
Brisbane, CA 94005

To Recology: Recology, Inc.  
250 Executive Park Blvd.  
Suite 2100  
San Francisco, CA 94134  
Attention: John Glaub

With a copy to: Peggy M. O'Laughlin  
Matteoni O'Laughlin & Hechtman  
848 The Alameda  
San Jose, CA 95126

6. **Limitation on Effect of Agreement.** The execution of this Agreement by City shall not constitute the granting by City, or the commitment to grant, any form of land use entitlement, permit or approval, or any agreement or commitment by City to take any action with respect to the acquisition or development by Recology of the property upon which the Expansion Project is proposed to be constructed, or any other acts or activities relating to the subsequent independent exercise of discretion by the City. Any such subsequent action shall be considered by the City Council, in its sole and unfettered discretion, following the conduct of all of legally required procedures, including, without limitation, all environmental review processes as may be required by the California Environmental Quality Act. Recology acknowledges that a portion of the property upon which the Expansion Project is proposed to be constructed is not owned by the City and nothing herein shall obligate the City to acquire such property or to grant any right on the part of Recology to acquire or develop such parcel.

7. **Miscellaneous Provisions.**

(a) **Costs of Suit.** In the event legal action between the parties shall become necessary in order to enforce or interpret this Agreement, or any provision contained herein, the prevailing party shall be entitled to recover all costs and expenses as may be incurred in connection therewith, including reasonable attorney's fees.

(b) **Entire Agreement.** This Agreement constitutes the entire agreement between the parties and supersedes and cancels any prior agreements or understandings, whether written or oral.

(c) **Choice of Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of California.

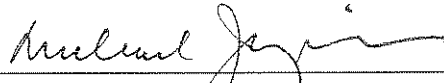
(d) **Amendments.** This Agreement can only be modified by a written amendment hereto executed by both parties.

**IN WITNESS WHEREOF**, the parties have executed this Agreement the day and year first above written.

CITY OF BRISBANE


RECOLOGY, INC.

By: \_\_\_\_\_  
Raymond C. Miller, Mayor

By:   
\_\_\_\_\_  
Michael J. Sangiacomo  
President & CEO

ATTEST:

\_\_\_\_\_  
SHERI MARIE SPEDIACCI  
City Clerk

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
City Attorney

# memorandum

date June 12, 2013

to John Swiecki

from Patricia Berryhill

subject *Proposed Recology Expansion CEQA Task Summary and Level of Effort Estimate*

In the absence of a Specific Plan or detailed description of the Proposed Recology Expansion beyond what has been established in the Baylands Draft EIR, this outline of tasks is intended to provide a framework and preliminary estimate of the level of effort for technical analysis and implementation of the CEQA process. This outline and the basic framework would apply to either a Program or Project-Specific CEQA process. The main tasks to prepare CEQA Technical studies and a Draft EIR for the Proposed Recology Expansion Project have been summarized below along with estimated cost to complete. A formal scope and fee will be developed once we have agreement and concurrence from the Applicant and the responsible agency, the City of San Francisco. A draft schedule of the CEQA process through to the Final EIR is attached to give you an idea of the timing for the steps outlined below.

## **Task 1 Development of Project-Specific Technical Studies**

Although the Baylands DEIR addresses the Proposed Recology Expansion at a program level, technical studies are needed to update and establish current baseline conditions that would be used for comparison in the analysis of the proposed expansion. Technical reports referenced below would be provided in a letter report format for the Technical Memorandum deliverables. A more formal more intensive level of effort is required for a Technical Study which would include generation of new project-specific data, integration and analysis of the new data in the context of regional resource considerations, or would require running a complex model or collecting new intersection traffic counts in the case of the Traffic Study. Technical memos would be utilized to screen out resource areas and confirm that additional studies would not be needed. Technical Studies would result in data sets and analysis that will support the CEQA analysis in the EIR and would be collected and included as an appendix to the EIR.

The following technical studies will be prepared:

- **Aesthetics Technical Study (\$18,500)**

CEQA requires consideration and disclosure of the project's localized changes to the way the proposed project site looks compared to existing conditions. The Aesthetics study will utilize site plans, grading elevations and renderings to depict the visual conditions that would occur as a result of the proposed expansion at the facility. The Aesthetics Technical Study will:

- Establish Photo Points
- Create Visual Simulations based on Grading Elevations

- Evaluate Aesthetics from Multiple Vantage Points
- Compare Project and No-Project Outcomes

- **Air Quality and GHG Technical Study (\$27,500)**

The Bay Area Air Quality Management District (BAAQMD) requires that this analysis examine the potential impact to air quality in several ways: 1) Consistency with the current air quality plan control measures; 2) Quantification and assessment of construction-related emissions; 3) Quantification and assessment of operational emissions; 4) Assessment of the localized risks and hazards posed by emissions of toxic air contaminants, diesel particulate matter and fine particulate matter on nearby sensitive receptors; and 5) Identification of potential odor impacts on sensitive receptors. The study will include:

- Mobile Emission calculations
- Construction emissions write-up
- Energy and water emission calculations
- Methane Recovery calculations
- Project consistency with GHG reduction strategy & AB32 Clean air plan consistency
- Construction (quantitative) impacts
- Operational (quantitative) impacts
- Health Risk Assessment
- Odor impacts

- **Biological Resources Technical Memo (4,500)**

Site-specific surveys of the Recology site occurred in 2008 and although conditions have been confirmed in the Baylands Draft EIR an on-site reconnaissance survey would be needed to develop sufficient rationale for screening out this topic for future CEQA phases. The technical memo would include:

- Site Survey Summary
- Site Map and Database Search Results
- Terrestrial and Wetland Habitats and Species Summarized (or lack thereof)

- **Cultural Resources Technical Memo (4,200)**

Verification of existing conditions, and confirmation that none of the structures has become eligible for listing or for consideration under CEQA in the interim since the site was surveyed for a program level analysis included in the Baylands Draft EIR. This task would develop sufficient rationale for screening out this topic for future CEQA analysis. The technical memo shall include:

- Site Survey
- Letter Report and Text Summarizing Existing Conditions and Resources Present

- **Noise Technical Study (\$22,000)**

This study would address the noise levels likely to be generated by the operation of the equipment and activities planned to compared to existing conditions, as a result of the expansion. The study would assess the potential for changes to ambient noise levels from installation of new loading and unloading areas for incoming, sorting and

outgoing materials and discuss the potential for noise from these sources to be reduced as a result of moving existing activities that occur in outdoor areas into enclosed areas and would include:

- Noise monitoring (long and short term measurements)
- Disclosure of Construction Impacts
- Disclosure of Operational Impacts
- Project-Specific Traffic Noise Model (model output and analysis)

- **Traffic Technical Study** (\$150,000)

This technical study would address changes to traffic patterns and transportation modalities in the project area that would occur as a result of the expansion. Changes to access, changes to the number of vehicles and vehicle trips and traffic patterns would be addressed. Project-specific data would be generated and gathered in real time in the field through implementation of traffic counts at 18 intersections expected to be affected by expansion activities. The study includes addressing future proposed uses and projects including transportation infrastructure that may be planned in the area. This technical report is labor-intensive due to the need to generate data in the field and the time required to run the appropriate traffic model, analysis of the output, and the integration of the data into a CEQA standard analysis. The Traffic Study will include:

- Background/No Project Conditions
- Background with Project Conditions
- Traffic counts at 18 intersections
- Future + Project Intersection Impacts
- Internal Circulation
- Bicycle and Pedestrian Access
- Transit Impacts
- Evaluate Geneva-Harney BRT Alignments
- Freeway Operations
- Transportation Demand Management
- Construction Impacts.

Technical reports referenced below would be provided in a letter report format for the Technical Memorandum deliverables, and a more formal effort resulting in a Technical Study that would include generating new data and analysis, or would require running a new model or collecting new intersection traffic counts in the case of the Traffic Study. Technical memos would be utilized to screen out resource areas and confirm that additional studies would not be needed. Technical Studies would result in data sets and analysis that can support the CEQA analysis in the EIR.

Total Anticipated Cost for **Task 1** would be: \$226,000.

### **Task 2 Preparation of the NOP and Initial Study Checklist**

This task will include preparing text and mailing lists sufficient for a Notice of Preparation, including an Initial Study Checklist pursuant to CEQA guidelines.

Total Anticipated Cost for **Task 2** would be: \$5,600

### **Task 3 Drafting of the Administrative Draft EIR**

Preparation of the Draft EIR would include developing an Executive Summary, Project Description, Environmental Setting, Significance Criteria and Impacts Analysis for each CEQA topic based on Technical Studies (above) and existing information developed as part of the Baylands Draft EIR, Alternatives Analysis, and Cumulative Impacts Sections. The analysis of Hazards would be based on technical reports and data provided by the applicant, to be peer reviewed by a qualified ESA staff member, and would be included as an appendix to the ADEIR. This task includes preparation of an administrative record for the project.

Total Anticipated Cost for ADEIR **Task 3** would be: \$160,000

### **Task 4 Production of the Screencheck DEIR**

Consolidation of comments on the Administrative draft document and incorporation of those comments into a revised text would be accomplished in coordination with the City of Brisbane and the project team as appropriate.

Total Anticipated Cost for **Task 4** would be: \$65,000

### **Task 5 Production of the DEIR**

Final printing and assembly of the Draft EIR document and transmittal to the State Clearinghouse initiates the public comment period and would be the final product to the City. A scope and fee to address comments received during the 45-day comment period would be developed in coordination with the City and its attorneys once the comments have been collected and assembled as part of production of the Final EIR document.

Total Anticipated Cost for **Task 5** would be: \$45,000

### **Task 6 Project Communication and Coordination**

Establishing and maintaining communication between the applicant, the City of Brisbane, and the City of San Francisco will be key to the project initiation phase and will need to occur throughout the CEQA process. Agreement on the type of document based on the level of specificity provided by the applicant pertaining to project components and site uses, agreement on standards for technical studies, project review schedules, and roles and responsibilities will require oversight and significant time and attention, especially during key phases such as project initiation, review of technical studies, review of ADEIR, and Screencheck products.

Total Anticipated Cost for **Task 6** would be: \$85,000

**Combined Total Cost** for Tasks 1 through 6 would be: \$586,600