

COASTAL CONSERVANCY

Staff Recommendation
November 21, 2024

POINT MOLATE ACQUISITION

Project No. 23-024-01
Project Manager: Marilyn Latta

RECOMMENDED ACTION: Authorization to disburse up to \$35,985,000 to East Bay Regional Park District to acquire approximately 52 acres at Point Molate in the City of Richmond, County of Contra Costa, to establish a regional shoreline park that will protect, and may restore and enhance, open space, natural, scenic, cultural, and historic resources; and that will provide compatible public and California Native American tribal access, including recreational and visitor-serving amenities.

LOCATION: Point San Pablo Peninsula, off Stenmark Drive, City of Richmond, Contra Costa County

EXHIBITS

- Exhibit 1: [Project Location and Area Maps](#)
- Exhibit 2: [Photos](#)
- Exhibit 3: [Project Letters](#)

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed thirty five million nine hundred eighty five thousand dollars (\$35,985,000) to East Bay Regional Park District (the “grantee”) to acquire approximately 52 acres at Point Molate in the City of Richmond, County of Contra Costa (County Assessor’s Parcel Nos. 561-100-050, 561-420-001, 561-420-002, 561-100-051, 561-430-001, 561-440-003, 561-100-053) to establish a regional shoreline park that will protect, and may restore and enhance, open space, natural, scenic, cultural, and historic resources; and that will provide compatible public and California Native American tribal access, including recreational and visitor-serving amenities (the “project”).

This authorization is subject to the following conditions:

1. Prior to the disbursement of funds for the acquisition, the grantee shall submit for the review and approval of the Executive Officer of the Conservancy (“Executive Officer”):
 - a. All relevant acquisition documents for the acquisition including, without limitation, the appraisal, purchase and sale agreement, deed, escrow instructions, environmental and hazardous materials assessment, and title report;
 - b. A baseline conditions report; and
 - c. Evidence that sufficient funds are available to complete the acquisition.
2. The grantee shall pay no more than fair market value for the Property, as established in an appraisal approved by the Executive Officer.
3. The Property shall be managed and operated as a regional shoreline park that will protect, and may restore and enhance, open space, natural, scenic, cultural, and historic resources; and that will provide compatible public and California Native American tribal access, including recreational and visitor-serving amenities. The Property shall be permanently dedicated to those purposes through an appropriate instrument approved by the Executive Officer.
4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the Property or in a nearby publicly viewable area, the design and location of which are to be approved by the Executive Officer.

Findings:

Based on the accompanying staff recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, regarding addressing the protection of natural resources within the Conservancy’s San Francisco Bay Area jurisdiction.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy disburse up to \$35,985,000 to the East Bay Regional Park District (the District) to acquire approximately 52 acres at Point Molate on the San Pablo Peninsula in the City of Richmond (the City), County of Contra Costa (see Exhibit 1 to establish a regional shoreline park that will protect, and may restore and enhance, open space, natural, scenic, cultural, and historic resources; and that will provide compatible public and California Native American tribal access, including recreational and visitor-serving amenities (the “project”).

Point Molate is a large and spectacularly scenic area bounded by San Francisco Bay, industrial and open space areas, and the Potrero Ridge, which separates it from the Chevron Richmond refinery to the east. It has a rich and complex history, first as an area of importance to Native Americans, and later, following contact with outside groups, as an area with uses that included Chinese shrimp camps, a railroad wharf, whaling and fish processing, winemaking, and a US Navy fueling depot. Some of the structures from these past uses remain, but the site is largely undeveloped and includes natural bay and shoreline, expansive vistas of Mount Tamalpais and the Richmond-San Rafael Bridge, grasslands and open space, and shoreline and terrestrial habitats.

Neither of two main development proposals for the property over the past two decades have come to fruition, and there is currently a unique window of opportunity in which the parties are in agreement to sell approximately 82 acres to the District for the purpose of creating a regional shoreline park (see “Site Description” section below for more detail). All parcels proposed for transfer are owned by Point Molate Futures, LLC (wholly owned by Guidiville Rancheria of California), but the deal requires coordination with the City and must be completed no later than January 15, 2025. The District will acquire approximately 82 acres at a bargain sale price of \$40 million. Conservancy funds will be applied to seven of the 44 lots (approximately 52 acres), specifically the large southern lots which do not contain the historic structures. The acquisition will permanently remove the possibility of low- to medium-density residential, and medium-density mixed use development on these lots. The Conservancy is funding the purchase of the parcels that are most valuable from the perspective of shoreline open space and habitat conservation, and without the Conservancy’s contribution, the entire 82-acre acquisition could not move forward (See Exhibit 1).

As few opportunities remain to dedicate or establish significant parkland and shoreline access in the heavily-urbanized San Francisco Bay Area, especially in the Richmond region, creating a shoreline park at Point Molate has been a long-standing regional goal: East Bay residents approved a 2008 park funding measure that included Point Molate; both the District’s 2013 Master Plan, and the San Francisco Bay Conservation and Development Commission’s Bay Plan call for a park in this location; and the acquisition of open space furthers the state’s 30x30 conservation and biodiversity goals. Furthermore, acquiring this property will enable the District to establish parkland adjacent to 2.5 miles of the San Francisco Bay Trail (Bay Trail), which borders the property’s western edge on City- and District-owned land, and extends to the south through the City-owned Point Molate Beach Park to the Richmond-San Rafael Bridge (see Exhibit 1).

In addition to providing public access and visitor-serving amenities, the District seeks to protect the ecology of San Francisco Bay, and address resilience to sea level rise, climate change, and wildfire prevention. Once acquired, the District will place the property into “Land Bank” status and will coordinate closely with the City on initial management until it can develop a public access plan and make the site safe and suitable for opening to the public. Future studies and planning will analyze safety and site security; vegetation management, including grazing; habitat health and resource management; public access, including staging areas and trail network; and visitor-serving recreational, educational, and commercial/retail (as allowed on the

overall site) amenities. The District operates on principles of adaptive management, and will fold management of the property into its existing operations and management regime.

Site Description: Located on the San Pablo Peninsula within the City of Richmond, Contra Costa County, Point Molate affords sweeping open space views of the shoreline and Bay, Mt Tamalpais, the Richmond-San Rafael Bridge, and the East Brother Light Station. The acquisition area comprises approximately 82 acres, 52 acres in the parcels 1-5, 9, and 10 that SCC is funding and 30 acres in additional parcels 6-8, and 11-44 that the District is funding. The acquisition area is located about 1.5 miles north of Interstate 580 and the Richmond-San Rafael Bridge. It is bounded by San Francisco Bay (the Bay) and a City-owned shoreline strip and submerged bay parcels to the west, industrial and open space to the north and south, and the 480-foot Potrero Ridge, separating it from the Chevron Richmond refinery to the east. The area is accessible via Stenmark Drive, a City-owned roadway (See Exhibit 1). Approximately 2.5 miles of Bay Trail will soon be constructed along the property's western edge in strips of City- and District-owned land that stretch south through the City's existing Point Molate Beach Park to the Richmond-San Rafael Bridge (see Exhibit 1); this is a separate District-led construction project anticipated in 2025, which the Conservancy is also supporting via grants for the Bay Trail.

Point Molate's aquatic, shoreline, and upland areas include more than 700 species of insects, plants, and animals, making it a "biological hotspot" where one can encounter ospreys and eagles, leopard sharks and Olympia oysters, sea hares and mule deer. The property contains rare coastal prairie and coastal bluff native plant communities, and native grasslands and forested areas. It is also one of the most diverse rocky shorelines and adjacent biodiverse intertidal and subtidal habitats in the Bay, including eelgrass and oyster beds, sand and gravel beaches, native rock islands and seaweed beds, and tidal wetlands.

Although it retains infrastructure from past uses (see the "Brief History" below) and the Winehaven Historic District remains, the project area is largely undeveloped. Except for Point Molate Beach Park, it remains fenced-off and inaccessible to the public. Environmental cleanup of the property as a result of Navy operations between 1943 through 1995 at the former Pt Molate Naval Fuel Depot has been underway for many years. The primary contaminants are petroleum hydrocarbon impacts to soil, soil-vapor, and groundwater. Clean-up requirements are stated in an Order issued by the San Francisco Regional Water Quality Control Board ("Water Board") and the clean-up work has been led by the City of Richmond to-date. Significant clean up, including the excavation and offsite disposal of impacted soil has been conducted along with some groundwater remediation. Currently monitoring is ongoing to evaluate remedial effectiveness. Remediation action completion documents are under review by the Water Board. After acquisition, the District will be responsible for, and will participate in, the ongoing cleanup of the property associated with this transaction. The District will work with the City of Richmond regarding shared obligations, if any, as it pertains to the property.

Project History: Point Molate has a rich and complex history. It has long been important to California Native Americans and includes sacred sites and cultural resources. Major post-contact uses have included a ranch (established 1817) associated with Mission Dolores, Chinese shrimp camps (late 1800s early 1900s), a railroad wharf (from early 1900s), whaling and fish processing (the last whaling station in the US, which closed in 1968), a quarry, winemaking, and

a US Navy fueling depot. Winehaven became the largest and most modern winemaking plant in its day, as depots destroyed in the 1906 San Francisco earthquake were rebuilt at Point Molate. In 1941, the US Navy took the site for a fueling depot.

After the Navy closed the site in 1995, the City Council acting as the Local Reuse Authority approved a Point Molate Reuse Plan in 1997, and the Navy began transfer of the site (including environmental cleanup and historic preservation obligations) to the City in 2003.

The City pursued and partnered on redevelopment plans, which were ultimately not approved by the City Council in 2011 resulting in litigation. A judgment required the City to take certain actions, such as finding a new developer for the property. In 2020, a new development proposal on the property was entitled by the City. That development project was challenged, alleging CEQA errors, among other issues. Ultimately, that lawsuit found that there were CEQA deficiencies, which the City did not correct. Therefore, as stipulated in the judgment, the property transferred from the City to the current owner, Point Molate Futures, LLC (wholly owned by the Guidiville Rancheria of California) in May 2022.

This history set the stage for July 2024 actions by Point Molate Futures, LLC, the City (Council vote of support July 12), and the District (Board vote of support July 16) to sign on to a three-party letter of intent for sale of approximately 82 acres to the District for regional shoreline park purposes. Subsequently, Point Molate Futures, LLC and the District have entered into a purchase and sale agreement consistent with the terms of the letter of intent.

Grant Applicant Qualifications: The District was founded in 1934 and operates 73 parks on over 125,000 acres of land in Alameda and Contra Costa Counties, with over 1,330 miles of trails and 55 miles of shoreline. The District has a long history of successfully delivering hundreds of grant-funded projects (currently managing 150+ grant awards totaling over \$200 million), and since the early 1980s has received approximately \$40 million in grant funds for acquisition and development projects from the Conservancy. The District has a team of experienced grants, acquisitions, planning, and operations staff with decades of experience in negotiating and closing land acquisition projects, and planning and implementing public access and property/habitat management actions. The District has implemented a similar acquisition and public access project at the former Concord Naval Weapons Station. The District also benefits from a Trail Users Working Group comprised of staff and members of the public that provides feedback on trail planning and design to balance accessibility and the needs of different user groups with natural resource conservation and other considerations.

CONSISTENCY WITH CONSERVANCY’S PROJECT SELECTION CRITERIA:

The proposed project is consistent with the Conservancy’s Project Selection Criteria, last updated on September 23, 2021, in the following respects:

Selection Criteria

1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.

See the “Consistency with Conservancy’s Strategic Plan” section below.

2. Project is a good investment of state resources.

The proposed project will permanently protect a large portion of Point Molate which will (1) contribute to meeting the state's biodiversity and equitable outdoor access goals as outlined in the Strategic Land Acquisition section of the Governor's 30x30 Executive Order; (2) fulfill implementation of State (San Francisco Bay Conservation and Development Commission) and District plans that have long called for a regional park at this location; (3) provide additional shoreline access to communities that are underserved by parks (4) take advantage of a bargain sale; and (5) protect, and enable future restoration and enhancement of, regionally-significant aquatic, shoreline, and upland habitat.

3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.

Point Molate Futures, LLC, is wholly owned by the Guidiville Rancheria of California, a federally recognized Indian tribe, and has negotiated the proposed sale. The Guidiville Rancheria of California fully supports the intended acquisition purposes. The Guidiville Tribe's Pomo, Patwin, Wappo, together with its Miwok/Ohlone ancestors, all had a pre-contact connection to Point Molate, and San Francisco Bay, involving fishing and harvesting coastal resources, trade and travel amongst the different language groups. The Guidiville Tribe has always been strongly committed to protect such resources wherever they occur.

Guidiville Tribal Chairman Donald Duncan said in a statement:

The tribe and the park district share a common vision of establishing a world-class park at Point Molate. The park to be fully funded by the tribe was the centerpiece of the tribe's original proposal, first accepted but then later rejected by the City of Richmond. There have been no better conservationists of land in this country than Native Americans, having lived in harmony with nature for thousands of years. Our stewardship practices are rooted in deep respect for the environment and a commitment to preserving it for future generations. [Bay City News story by Tony Hicks entitled "East Bay Regional Park District Approves Point Molate Sale," July 17, 2024]

The District intends to engage with all interested tribes and tribal groups when conducting planning for park development following the acquisition.

4. Project benefits will be sustainable or resilient over the project lifespan.

Project benefits will be sustainable into perpetuity because (1) the transfer into District ownership will permanently protect the property for the acquisition purposes stated above; (2) in addition to managing the property for public access, visitor-serving amenities, and habitat protection, the District will also seek to protect the ecology of San Francisco Bay, and address resilience to sea level rise, climate change, and wildfire prevention; and (3) the District operates on principles of adaptive management, and will fold management of the property into its existing operations and management regime.

5. Project delivers multiple benefits and significant positive impact.

The proposed project will deliver multiple benefits including (1) permanently protecting the property for the acquisition purposes stated above, thereby protecting wildlife corridors, open

space areas, and habitats for threatened and sensitive species; (2) integrating a shoreline park with the Bay Trail; and (3) providing public access to a highly scenic, open-space resource of regional importance, and increasing shoreline access under-parked communities.

6. Project planned with meaningful community engagement and broad community support.

Numerous plans that were informed by community input call for open space and/or a regional shoreline park at the proposed project area, including the 1997 Point Molate Reuse Plan, the Richmond General Plan 2030, the 2018 Point Molate Vision, and the District Master Plan. The District will plan future activities on the property using robust community engagement processes.

PROJECT FINANCING

Coastal Conservancy	\$35,985,000
District	\$4,015,000
Project Total	\$40,000,000

Conservancy funds are anticipated to come from a Fiscal Year 2022/23 appropriation of \$36 million dollars from the General Fund to the Conservancy to be conveyed to the District specifically for Point Molate open space acquisition and clean-up (The Budget Act of 2022, as amended by AB 179, Chapter 249, Statutes of 2022). As the proposed project consists of acquisition of land at Point Molate for purposes that include protecting open space, it is consistent with this funding source. The Conservancy spent \$15,000 of this funding on independent appraisal reviews as required for large acquisitions greater than \$15,000,000.

Unless specifically identified as “Required Match,” the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project is being undertaken pursuant to Chapter 4.5 (regarding the San Francisco Bay Area Conservancy) of Division 21 of the Public Resources Code. Section 311162 authorizes the Conservancy to undertake projects in the nine-county San Francisco Bay Area to help achieve regional public access and resource protection goals. Consistent with this section, the property is located in Contra Costa County.

Section 31162(a) authorizes awards of grants that improve public access around the Bay, by completing and operating regional trail systems, and by providing trail-related facilities. Consistent with this section, the proposed project will improve public access to Point Molate by transferring land to the District for the purpose of establishing a new regional shoreline park, which will bring new recreational, educational, and visitor-serving amenities, and directly connect with existing sections of the regional Bay Trail system.

Section 31162(b) authorizes awards of grants that protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional importance. Consistent with this section, the proposed project will permanently protect wildlife corridors, and open space and natural habitat resources of regional importance.

Section 31163(c) authorizes awards of grants that assist in the implementation of the San Francisco Bay Plan and adopted plans of local governments and special districts. Consistent with this section, the proposed project fulfills calls in both the San Francisco Bay Conservation and Development Commission's Bay Plan and the District's 2013 Master Plan for a park in the proposed project location.

31162(d) authorizes awards of grants that promote, assist, and enhance projects that provide open space and natural areas that are accessible to urban populations for recreational and educational purposes. Consistent with this section, the proposed project will promote, assist, and enhance provision of open space and natural areas that are accessible to urban populations for recreational and educational purposes through improved connectivity to existing state and county parks.

CONSISTENCY WITH CONSERVANCY'S 2023-27 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 3.1 Conserve Land**, the proposed project will conserve 52 acres of property for open space and public access.

CEQA COMPLIANCE:

The proposed project is categorically exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Reg. Section 15313, which exempts acquisitions of property for purposes of preserving fish and wildlife habitat; Section 15316, which exempts acquisitions for purposes of establishing a park where no management plan has been prepared yet; and Section 15325, which exempts acquisitions for purposes of preserving open space and the existing natural conditions of the property, including plant and animal habitats, and preserving open space for park purposes. The proposed project will preserve habitat, allow public access and park establishment, and preserve open space and existing natural conditions and habitats. A management plan for the property has not yet been prepared.

Upon approval of the project, Conservancy staff will file a Notice of Exemption.