RESOLUTION NO. 8-09

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND MAKING IT A PUBLIC POLICY OBJECTIVE TO MAXIMIZE ECONOMIC BENEFIT FROM UNDERUTILIZED REAL ESTATE ASSETS IN THE PORT OF RICHMOND

WHEREAS, Shipyard 3 includes six historic buildings that are listed in the National Register of Historic Places, that are part of Rosie the Riveter WW II Home Front National Historical Park by an Act of Congress (Public Law 106-352) and are California Historic Landmarks, and

WHEREAS, the six buildings listed below constitute 258,518 square feet of usable space, 203,388 of which is vacant or underutilized (the Machine Shop and Forge are used by Auto Warehousing Company for vehicle preparation), and

<table>
<thead>
<tr>
<th>Building</th>
<th>Area (SF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cafeteria</td>
<td>14,268</td>
</tr>
<tr>
<td>First Aid Station</td>
<td>4,500</td>
</tr>
<tr>
<td>Machine Shop</td>
<td>49,750</td>
</tr>
<tr>
<td>General Warehouse</td>
<td>157,600</td>
</tr>
<tr>
<td>Riggers Loft, Paint Shop</td>
<td>27,000</td>
</tr>
<tr>
<td>Forge Shop</td>
<td>5,400</td>
</tr>
<tr>
<td>TOTAL</td>
<td>258,518</td>
</tr>
</tbody>
</table>

WHEREAS, additional historic resources include the Whirley Crane, the S.S. Red Oak Victory and five dry dock basins, and

WHEREAS, these buildings and the five basins are not likely to be removed due to provisions of CEQA, NEPA, Section 106 of the National Historic Preservation Act, Richmond Municipal Code Chapter 6.06, City Council Resolution 129-99, Resolution 46a-00, Resolution 25-02, Resolution 91-06, Goal OSC-E of the General Plan and Policies LU-A.5, CF-K.2, ED-C.3 and OSC-E.2 of the General Plan, and

WHEREAS, Chapter 6.02 of the Richmond Municipal Code defines “demolition by neglect” as “permitting a structure or its components to deteriorate to a state that it becomes economically or functionally impractical to rehabilitate due to damage to structural components or those that define the essential historic characteristics (also see Chapter 9.22),” and requires “the owner, lessees and any other person in actual charge or possession of an historical resource shall prevent demolition by neglect,” and

WHEREAS, the Riggers Loft/Paint Shop is in danger of collapse, and

WHEREAS, it is in the interest of the City of Richmond to be a good steward of its real estate assets, lead by example to conform to Chapters 6.02 and 9.22 of the Richmond Municipal Code and maximize revenue from City-owned resources, particularly those assigned to enterprise funds, and

WHEREAS, on September 11, 2007, the Richmond City Council unanimously passed Resolution 100-07, as amended, entitled “RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND MAKING IT A PUBLIC POLICY OBJECTIVE TO MAXIMIZE ECONOMIC BENEFIT FROM UNDERUTILIZED REAL ESTATE ASSETS IN THE PORT OF RICHMOND,” but implementation was later placed in abeyance.

From Minutes of September 11, 2007: A proposed resolution in support of making it a public policy objective to maximize economic benefit from underutilized real estate assets in the Port of Richmond was presented (Vice Mayor Bates left the meeting). Councilmember Butt and Jim Matzorkis gave an overview of the item. Following discussion, a motion was made by Councilmember Butt, seconded by Councilmember Rogers, to adopt the resolution. Discussion ensued and a friendly amendment to the motion was offered by Councilmember Thurmond to include as investors are identified, this information will come back to the Council for review. Any requests for money would have to come back to the Council for approval. The amendment was accepted and
Resolution No. 100-07 was adopted by the following vote: Ayes: Councilmembers Butt, Lopez, Marquez, Rogers, Sandhu, Thurmond, Viramontes, and Mayor McLaughlin. Noes: None. Abstentions: None. Absent: Vice Mayor Bates.

WHEREAS, now with all essential components of the Honda Port of Entry Project resolved, it is appropriate to reinvigorate the effort to inject profitability into other unutilized and underutilized assets of the Port of Richmond, including Shipyard 3.

THEREFORE BE IT RESOLVED, that the City Council directs the City Manager to prepare and implement a plan for the rehabilitation and adaptive reuse of the four vacant or underutilized historical buildings and the five dry dock basins that will result in meeting the following long-term objectives:

1. Beneficial occupancy by paying tenants
2. Positive cash flows that exceed existing cash flows
3. Opportunities for new jobs, particularly for Richmond residents

THEREFORE BE IT FURTHER RESOLVED, that the City Council directs that such plans include consideration of public-private partnerships, public-public partnerships, grants, tax benefits and other creative incentives to achieve these objectives, and

THEREFORE BE IT FURTHER RESOLVED, that the stewardship and profitability of these resources be given as high a priority as any other project at Shipyard 3, with particular attention to immediate stabilization of the Riggers Loft/Paint Shop.

---------------
I certify that the foregoing resolution was passed and adopted by the Council of the City of Richmond at a regular meeting thereof held on February 17, 2009, by the following vote:

AYES: Councilmembers Bates, Butt, Ritterman, Viramontes, Vice Mayor Lopez, and Mayor McLaughlin.

NOES: None.

ABSTENTIONS: None.

ABSENT: Councilmembers Rogers.

DIANE HOLMES
Clerk of the City of Richmond
(SEAL)

Approved:

GAYLE McLAUGHLIN
Mayor

Approved as to form:

RANDY RIDDLE
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of Resolution No. 8-09, finally passed and adopted by the Council of the City of Richmond at a meeting held on February 17, 2009.