



# AGENDA REPORT

Economic Development

<b>DATE:</b>	April 5, 2022
<b>TO:</b>	Mayor Butt and Members of the City Council
<b>FROM:</b>	Shasa Curl, Interim City Manager James Atencio, Senior Assistant City Attorney Lina Velasco, Director of Community Development Thomas Omolo, Management Analyst II
<b>Subject:</b>	Presentation of a Potential Revised Project for the Terminal One Site.
<b>FINANCIAL IMPACT:</b>	There is no financial impact from receiving this presentation
<b>PREVIOUS COUNCIL ACTION:</b>	July 15, 2014 – Item H-8.- <a href="#"><u>APPROVE the Land Disposition Agreement (LDA) with Terminal One Development, LLC (Suzhou Weibang Property Management, LLC) regarding the disposition of the Terminal One property (Approval of the LDA does not constitute City Council approval of the project; the proposed development plan must be finalized by the Developer; an Environmental Impact Report (EIR) must also be prepared and certified prior to approval of a final development plan)</u></a> - City Manager's Office (Bill Lindsay 620-6512)
<b>STATEMENT OF THE ISSUE:</b>	In August 2014, the City of Richmond entered into a Land Disposition Agreement (“LDA”) with Terminal One Development LLC (“Developer”) to develop the Terminal One site. The Developer has requested to present an alternative site plan

<b>RECOMMENDED ACTION:</b>	RECEIVE a presentation regarding a potential revised project for the Terminal One site from Terminal One Development LLC – City Manager’s Office/ Community Development Department (Shasa Curl/Lina Velasco 510-620-6512). <b>This item was continued from the March 22, 2022, meeting.</b>
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## DISCUSSION:

### *Background*

The Terminal One site is a City of Richmond property, comprised of three parcels (APNs: 560-420-010, 560-420-007, and 561-010-007), located at 1500 Dornan Drive, totaling approximately 14.4 acres. In August 2014, the City of Richmond, and Terminal One Development LLC (“Developer”) entered into the Land Disposition Agreement (“LDA”) to develop a residential community consisting of a mix of flats, townhomes, and single-family homes. In July 2016, the City Council approved a General Plan Amendment, Rezoning, and Vesting Tentative Map for the Terminal One project, consisting of 295 flats and 21 single-family homes, totaling 316 dwelling units (“Project”). The Developer obtained Design Review approval for their Project in February 2018 and Bay Conservation and Development Commission permits in March 2020.

On March 16, 2021, the City sent a notice of default to the Developer, citing their failure to close on the purchase of the Terminal One site within the timeframe provided in the LDA. The notice also acknowledged that Developer was seeking approval for an alternate Project design and requested that Developer submit their proposed alternate site plan for City Council consideration. On July 15, 2021, Developer submitted their alternative project proposal and asserted that the original Project was economically infeasible.

### *Updated Site Plan*

The Developer has proposed a new project alternative that they believe is economically feasible. The Developer has submitted a new site plan that would include 160 homes with 56 accessory dwelling units (ADU), totaling 216 dwelling units. The new site plans will have four-unit types: duet units, 2 story single-family homes, 3-story single-family homes, and 3-story single-family homes with an attached ADU on the ground floor. The submitted plan will include approximately five (5) acres of public park, park access, and parking. Additionally, the developer proposed two plans, one which includes a new Shoreline Road that goes along the waterfront and one which has a publicly accessible park and Bay Trail segment only along the shoreline (removes the Shoreline Road).

### Comparison Chart

	August 6, 2014, Executed LDA	Proposed Revised Terms Laconia
Development Program	295 midrise condominiums over podium parking and 21 single-family units for a total of 316 units	214 dwelling units – 160 units and 54 Accessory Dwelling Units (AU) <ul style="list-style-type: none"><li>• 58 duplexes, 82 three-story single-family homes (54 ADUs), 18 two-story single-family homes, and 2 flats over retail</li></ul>
Affordable Housing	32 condominium units	Full compliance with the City's inclusionary housing requirements
Design Considerations	Shoreline Road to connect Dornan Dr and Brickyard Cove Rd	Inclusion of Shoreline Road
Road Closure	The closure of a portion of Brickyard Cove Road once the Shoreline Road is completed	No such closure is planned

### Conclusion:

Terminal One Development LLC would like to provide the City Council and public a presentation of the updated site plans for the Terminal One site, which the developer believes would be financially feasible and could be built. If the City Council ultimately approves the revised site plan, next steps would include preparing amendments to the LDA and the Developer securing new and/or revised project entitlements.

### DOCUMENTS ATTACHED:

None